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1982

## 1982 Schedule

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# TAX CONFERENCE

MARSHALL-WYTHE SCHOOL OF LAW  
COLLEGE OF WILLIAM AND MARY

## TWENTY-EIGHTH ANNUAL CONFERENCE

### SELECTED TAX SUBJECTS

THE DEBT-EQUITY REGULATIONS  
(SECTION 385) ..... *Felix F. Laughlin, Esq.*

TEFRA: PURCHASE & SALE OF A CORPORATE  
BUSINESS ..... *Prof. Martin D. Ginsburg*

REAL ESTATE TAX SHELTERS—HISTORICAL STRUCTURES,  
REHABILITATED STRUCTURES, LOW INCOME RENTAL  
HOUSING, CONDOMINIUM OR COOPERATIVE HOUSING  
CONVERSION TAX PROBLEMS AND ACRS ISSUES. *Thomas R. Frantz, Esq.*

LUNCHEON TALK: COMPLIANCE PROVISIONS OF  
TEFRA ..... *Charles E. Roddy*

PLANNING FOR DISADVANTAGED CORPORATIONS. . . *Paul Broderick, Esq.*

THE FUTURE OF PERSONAL SERVICE CORPORATIONS:  
IS THERE LIFE AFTER TEFRA? ..... *Converse Murdoch, Esq.*  
*Allan G. Donn, Esq.*  
*Louis Mezzullo, Esq.*

ESTATE PLANNING FOR SPOUSES. . . . . *W. Birch Douglass, III, Esq.*

COLLEGE OF WILLIAM AND MARY IN VIRGINIA  
WILLIAMSBURG, VIRGINIA

## PREFACE

### TAX CONFERENCE

This publication records the papers presented at the Twenty-eighth Annual Tax Conference held in Williamsburg December 4, 1982. These Conferences are conducted by the Marshall-Wythe School of Law of the College of William and Mary as an adjunct to the graduate program in Law and Taxation. A list of prior Tax Conference publications may be noted on page 203.

These Conferences have for their objective the discussion of policy, technical and procedural matters of an advanced nature in the area of Federal, State and local taxation by recognized authorities for the enrichment of the Law School curriculum, and as a service of practical application to Virginia attorneys, accountants and representatives of business and industry.

It may be observed that those serving as speakers and discussion leaders for this and prior Conferences are distinctively representative Federal and State tax officials, tax practicing attorneys and accountants, and members of law school faculties. The College acknowledges with deep appreciation their significant contribution to these Conferences, and commends their participation in this leadership opportunity as a recognized exemplification of public service in the highest tradition.

The College also records its appreciation to the many attorneys, accountants, and representatives of business and industry who have responded so graciously by their participation in and support of these Conferences.

The printing of this publication is made possible by funds from private sources and the College gratefully acknowledges the support for such a worthy endeavor.

THOMAS A. GRAVES, JR., *President*  
*The College of William and Mary*  
*In Virginia*

Williamsburg, Virginia  
January, 1983

# LAW AND TAXATION AT THE COLLEGE OF WILLIAM AND MARY

## THE MARSHALL-WYTHE SCHOOL OF LAW

A chair of law was established at the College of William and Mary by action of the Board of Visitors under the leadership of Thomas Jefferson, an alumnus and then Governor of the Commonwealth of Virginia, on December 4, 1779. The present Law School takes its name from the first occupant of this chair—George Wythe, signer of the Declaration of Independence, leading attorney of the age and later Justice of the Chancery Court in Richmond; and John Marshall, one of Wythe's first students and subsequently the great chief justice of the United States.

The first phase of the law program at the College of William and Mary extended from 1779 to 1861. Following the long years of suffering and devastation after the Civil War, the Law School reopened its doors in 1922. It became a member of the Association of American Law Schools in 1936.

## THE PROGRAM IN LAW AND TAXATION

The Marshall-Wythe School of Law of the College of William and Mary established a program leading to the Degree of Master of Law and Taxation in September 1954.

This program is designed to fill a need for competently trained persons to serve the nation in any capacity where a thorough comprehension of all phases of taxation is an essential requirement. In the present complex status of our tax laws it requires joint consideration by a lawyer, an accountant, an economist, and an expert in business management in order to analyze properly all aspects of a tax matter. While the program does not presume to accomplish expertness in each of these fields, it is intended to equip the student with fundamental groundwork in all and as much of advanced study in each as relates directly to the field of taxation. All candidates for admission to this program must have received a baccalaureate degree and a professional degree in law from approved colleges or universities, and have attained grades indicative of their ability to do graduate work in law. Applicants who have completed the following courses as part of their baccalaureate work will be given preferential consideration:

*Business Administration:* Financial Management and twenty-four semester hours credit in courses in Accounting.

*Economics:* Principles of Economics, Money and Banking, Principles and Methods of Statistics, Public Finance, Fiscal Policy, International Trade and Policies, or the equivalent in content.

The graduate program then offers them a broad range of courses in Federal and State tax policy, tax law and procedures. Upon completion of the program, the successful candidates are awarded the Degree of Master of Law and Taxation. The College follows with great interest the service rendered by all recipients of this advanced professional degree. An outline of the requirements and a description of the courses are shown in the Appendix beginning on page 197.

WILLIAM AND MARY TAX CONFERENCE  
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Howard M. Zaritsky  
Fairfax, Virginia

The tax advisory council has been most helpful in the selection of subject matter and speakers for the program. We are deeply grateful for the valuable time they have given to the Conference.

## TWENTY-EIGHTH ANNUAL TAX CONFERENCE

### PROGRAM PARTICIPANTS

**PAUL BRODERICK**—Member D.C. Bar; B.S. Fairleigh Dickinson University 1968, J.D. Catholic University 1972, LL.M. (Taxation) Georgetown University Law Center 1976; published articles on Corporate Reorganizations and Debt/Equity Regulations; frequent speaker at tax seminars; Senior Tax Law Specialist Reorganization Branch IRS 1974-1979, Tax Manager of office of National Tax Services of Laventhol & Horwath, Washington, D. C. 1979 to present.

**ALLAN G. DONN**—Member Virginia Bar; B.A. University of Virginia 1961; LL.B. Harvard University 1964; LL.M. in Taxation, Georgetown University 1967; Clerk to Chief Judge Panson; Virginia Bar Association, Chairman, Committee on Taxation (1981-); American Bar Association, Member, Section of Taxation; Chairman, Compensation Subcommittee of the Partnership Taxation Corporation; Norfolk Estate Planning Institute; Active and frequent speaker in CLE; present: Willcox, Savage, Dickson, Hollis and Eley, P.C.

**W. BIRCH DOUGLASS III**—Member Virginia Bar; B.A. Hampden-Sydney College 1965 magna cum laude, LL.B. University of Richmond 1968, LL.M. Harvard Law School 1969; Phi Beta Kappa, O.D.K.; Instructor Advanced Estate Planning and Advanced Business Tax Planning at American College 1973 to present; McGuire, Woods & Battle, Richmond, VA.

**THOMAS R. FRANTZ**—Member Virginia Bar, American Institute of Certified Public Accountants, Association of Attorney Certified Public Accountants; B.A. 1969, J.D. 1973, M.L.T. 1981 College of William and Mary; contributor to Taxation for Accountants, Journal of Taxation, Virginia Conference on Federal Taxation, Marshall-Wythe School of Law Annual Tax Conference; Adjunct Professor of Law Marshall-Wythe School of Law 1981, Staff member Office of Chief Counsel IRS 1972; Clark and Stant, Virginia Beach, VA.

**MARTIN D. GINSBURG**—Member N.Y. and D.C. Bars, Department of Justice Tax Division Advisory Group 1980-81, Advisory Group to the Commissioner of Internal Revenue 1978-80, American Law Institute since 1974, member and chairperson of Tax Committees of New York City Bar Association, N.Y. State Bar Association and American Bar Association. Fellow American College Tax Counsel since 1981, Board of Editors Journal of Corporate Taxation, Advisory Board University of California Securities Regulation Institute; Contributor to Taxes, N.Y.U. Annual Institute on Federal Taxation, Tax Lawyer, Tax Law Review, National Tax Journal; Editor Tax Consequences of Investments (P.L.I. 1969); Consultant to ALI Federal Income Tax Project Since 1974, formerly Charles Keller Bechman Professor of Law Columbia Law School, formerly Adjunct Professor

of Law N.Y.U. Law School, presently Professor of Law Georgetown University Law Center; of counsel Fried, Frank, Harris, Shriver & Kampelman, Washington, D.C.

FELIX B. LAUGHLIN—Member D.C. and Tennessee Bars; B.A. and J.D. University of Tennessee 1967, LL.M. Taxation Georgetown University Law Center 1971; Tennessee Law Review, Order of the Coif; Office of Chief Counsel of IRS 1967-1971; Dewey, Ballantine, Bushby, Palmer & Wood, Washington, D.C.

LOUIS A. MEZZULLO—Member Virginia Bar, member of the Committee on Taxation, American Bar Association, Tax Section—Committee on Closely Held Corporations, American Bar Association, Committee on Estate Planning and Drafting: Life Insurance; Estate Planning Council of Richmond; B.A. University of Maryland 1967; M.A. University of Maryland 1976; J.D. T. C. Williams School of Law 1976; Frequent publisher of tax articles in Law Reviews and Tax Magazines, also frequent speaker at Tax Conferences; Associate with McGuire, Woods & Battle, 1976-1979; Adjunct Assistant Professor of Law, University of Richmond Law School (1977-); present: Mezzullo, McCandilish & Framme, P.C.

CONVERSE MURDOCH—Member N.Y., Pennsylvania and Delaware Bars; A.B. Bowdoin College 1941, J.D. Columbia University Law School 1947, LL.M. Georgetown University Law Center 1951; Office of Chief Counsel of IRS 1948-1953 (Special Attorney and Special Assistant to the Chief Counsel), Legal Advisory staff Treasury Department 1953-1954, presently Murdoch & Walsh, Wilmington, Delaware.

CHARLES E. RODDY—B.A. Chico State University in Calif.; with Internal Revenue Service since 1960 in California, Montana, Kentucky, Oregon, District Director for Alaska 1971-1977, District Director for Rhode Island 1977-1981, District Director for Virginia since 1981.

#### CONFERENCE ADMINISTRATORS

WILLIAM B. SPONG, JR., *Dean, Marshall-Wythe School of Law*

EMERIC FISCHER, *Professor of Law, Conference Director*

JOHN E. DONALDSON, *Professor of Law*

JOHN W. LEE, *Professor of Law*

ARTHUR WHITE, *Professor of Law*

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