

INTERNATIONAL TAX

RESEARCH ASSIGNMENT NO. 1

This assignment is designed to help you hone your research skills while learning more about how we distinguish between resident and nonresident persons for federal tax purposes. In particular, this assignment will focus on determining the residency status of estates and trusts. And, it is worth underscoring, your research should focus exclusively on the residency question; for purposes of this assignment, you can ignore discussions or authorities that concern other international tax aspects of trusts and estates. To complete the assignment, please answer the following series of questions. It would be advisable for you to read the entire assignment before answering the questions so that you can most efficiently use your time. The deadline for completing this assignment is the beginning of class on Wednesday, February 1, 2012. You can submit the assignment through CourseWeb/Blackboard, e-mail me your assignment prior to the start of class, or turn in a hard copy of this assignment to me in class.

1. Using Lexis, Westlaw, Tax & Accounting Center (BNA), *and* at least one hard copy primary source from the library, please find I.R.C. § 7701(a)(30)–(31). Then, do the following:
 - a. Please paste or type the text of those two subsections in your answer (and be sure to read them!).
 - b. For each resource, please describe the exact steps that you took to locate I.R.C. § 7701(a)(30)–(31).
 - c. For each resource, please specify the date when it was most recently updated. Then explain the steps that you took to be sure that Congress had not amended I.R.C. § 7701(a)(30)–(31) since that date.
 - d. Please explain which resource(s) got you to the desired Code section most quickly and efficiently and why the other resource(s), if any, were not as quick or efficient.
2. Using Lexis, Westlaw, Tax & Accounting Center (BNA), *and* at least one hard copy primary source from the library, please find all current Treasury Regulations that have been promulgated under I.R.C. § 7701(a)(30)–(31). Then, do the following:
 - a. Please read the Treasury Regulations that you find and list the regulation number(s) and title(s) in your answer (but, this time, please do *not* paste or type the text of the regulations in your answer). Also be sure to note in your answer whether the regulations interpret I.R.C. § 7701(a)(30), I.R.C. § 7701(a)(31), or both. If you cannot find regulations interpreting either (or both) sections, please note that fact in your answer.
 - b. For each resource, please describe the exact steps that you took to locate the regulations.



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- c. For each resource, please specify the date when the regulations were most recently amended. Then explain the steps that you took to be sure that the Treasury Department had not amended those regulations since that date.
 - d. Please explain which resource(s) got you to the regulations most quickly and efficiently and why the other resource(s), if any, were not as quick or efficient.
3. Using Lexis, Westlaw, Tax & Accounting Center (BNA), *and* at least one hard copy primary source from the library, please locate the legislative history for I.R.C. § 7701(a)(30)–(31). Then, do the following:
 - a. Please list the date when I.R.C. § 7701(a)(30) was most recently amended and explain briefly in your own words how it was amended.
 - b. Please list the date when I.R.C. § 7701(a)(31) was most recently amended and explain briefly in your own words how it was amended.
 - c. Using each resource, please locate the committee reports explaining the changes to each of these sections and read those reports. Specify which sources reproduce these reports in full and which provide only excerpts from the reports or only select reports.
 - d. In your own words (and in no more than a few paragraphs), please summarize the committee reports' explanation of the changes that were made to I.R.C. § 7701(a)(30)–(31). In particular, address what the law was before the amendment, what it is after the amendment, and how, if at all, it has changed.
 - e. For each resource, please describe the exact steps that you took to locate both the most recent amendments to I.R.C. § 7701(a)(30)–(31) and the related committee reports.
 - f. Please explain which resource(s) got you to the legislative history most quickly and efficiently and why the other resource(s), if any, were not as quick or efficient.
4. Turning to the electronic resources (i.e., Lexis, Westlaw, and Tax & Accounting Center (BNA)), please locate any court decisions or administrative rulings that would help you to interpret the current version of I.R.C. § 7701(a)(30)–(31). Then, do the following:
 - a. Please list those decisions and/or rulings that would help you to interpret I.R.C. § 7701(a)(30) (i.e., that would actually help you to determine whether a trust is foreign or domestic) and include a short, one- or two-sentence summary of each.
 - b. Please list those decisions and/or rulings that would help you to interpret I.R.C. § 7701(a)(31) (i.e., that would actually help you to determine whether an estate is foreign or domestic) and include a short, one- or two-sentence summary of each.
 - c. Please compare and contrast the results that you received from the different electronic databases. Did the results of the same searches completely or only partially overlap? Did some databases include more sources than others? Were any of the databases noticeably more up-to-date than others?



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5. Turning to the hard copy resources in the library, please locate at least three different secondary sources explaining the residency rules applicable to trusts and estates. Then, do the following:
 - a. Please list the secondary sources that you found, including author(s), title, specific page or section number where the explanation appears, and call number in the library.
 - b. Please compare and contrast the discussions in each of these resources. Given the research that you have already done, how thorough is the discussion? How clear is the discussion? Are there any mistakes or important omissions in any of the discussions? Upon reflection, which source(s) would have been the best place to start your research?
 - c. Please explain the steps that you took to locate each of these resources in the library.
 - d. Please determine whether these resources are available on Lexis, Westlaw, and/or Tax & Accounting Center (BNA). Then search for the same discussion that you found in the hard copy resource on the relevant electronic database. Please compare and contrast the ease with which you are able to locate information in the hard copy source versus the electronic source.



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