**2014 Tax Shelter Update**

**Length:** 2 hours

**Level:** Intermediate

**Field of Study:** Taxes

**Course Description**

Over the years abusive tax shelters have evolved from simple transactions into very sophisticated strategies that often border on tax evasion schemes. There is nothing wrong with sheltering tax through legal tax shelters.

This class takes an in-depth look at recent developments in one of the Internal Revenue Service’s most targeted areas. IRS is constantly shifting its resources to counteract what it perceives to be abuses in tax compliance. Congress has initiated new penalties against taxpayers, tax professionals, appraisers, and promoters of transactions, which in the eyes of the IRS, have no economic substance. The vast majority of cases that the United States Tax Court hears are those dealing with tax shelter issues.

If your practice includes high-income taxpayers, AMT filers, or people who believe that in America tax avoidance (not tax evasion) is permissible, then this class is a must for you. It will help you to stay current and to understand new developments in this important area of taxation. If it sounds too good to be true, it probably is **not** true!

Topics covered include:

* 2013 and 2014 tax shelter court case rulings, and more
* Techniques to determine the economic reality of a shelter investment versus a tax sham
* 2013 new developments including court cases, rulings, and other IRS pronouncements
* Examples of individual and corporate tax shelters
* Pitfalls of being a promoter of abusive tax shelter schemes and the possibility of IRS sanctions – 2013 developments in IRS 6700, 6701, and 7408 enforcement
* Techniques for avoiding substantial understatement of income penalty and overvaluation penalties – update of recent court cases
* IRS examination techniques used during audits of purported tax shelters
* Identification of IRS-identified abusive foreign tax schemes with emphasis on the UBS bank debacle
* 2013 IRS industry tax shelter targets
* Value of disclosing a questionable position
* IRS real estate project – material participation

**Learning Objectives**

Upon successful completion of this course, participants will be able to

* Identify what the IRS defines as an abusive tax shelter scheme
* Understand the IRS approach to counteracting abusive tax shelter schemes
* Effectively advise and represent clients
* Understand techniques for avoiding penalties and possible sanctions for improper tax practice
* Determine whether actions taken as a client’s representative are in compliance with IRS Circular 230
* Help clients understand the economic realities of a marketed tax shelter
* Understand 2013 tax shelter changes and receive an update on changes that will occur in 2014