

## 2025-2026 EDITION HIGHLIGHTS

*Federal Taxation of Close Corporations* analyses tax laws that affect close corporations, with in-depth discussion of all aspects of your practice including choice of entity considerations, qualified plans and fringe benefits, corporate reorganizations, and S corporations.

*Editor's note:* Beginning with this 2025-2026 Edition, subscribers will receive an annual pamphlet set to replace any relevant revised content within the respective volumes of *Federal Taxation of Close Corporations*. Please note that with the change in the book's frequency, from shipping twice per year to once per year, the invoice may reflect a higher price per release. However, this is due to redistributing the same total price over the new release schedule, which comprises the same yearly content.

This 2025-2026 Edition's recent developments and updated sections include:

### Chapter 1. Choice of Entity

- Deductibility of losses (§ 1:6)
- Selection of taxable year (§ 1:9)

### Chapter 2. Fringe Benefits Provided by Closely Held Corporations

- Exclusion under Section 132—Qualified transportation fringes (§ 2:8)
- Qualified retirement planning services (§ 2:10)
- Contributions to accident and health plans (§ 2:23)
- Cafeteria plans (§ 2:46)

### Chapter 3. Overview of Deferred Compensation

- Introduction to qualified plans (§ 3:1)
- Minimum funding requirements (§ 3:4)
- Plan Qualification Requirements—In general (§ 3:17)

### Chapter 4. Tax Aspects of Incorporation

- Transfer of property—Definition of transfer (§ 4:5)
- Transfers resulting in total nonrecognition of gain or loss—Related parties (hybrid entities) (§ 4:14)
- Assumption of liabilities—Tax-motivated transaction exception (§ 4:21)
- Control requirement—Immediately after exchange requirement (§ 4:24)
- Special problems of incorporating existing business—Accounting elections and method (§ 4:35)

### Chapter 9. Personal Holding Company Tax

- Exempt corporations (§ 9:3)

### Chapter 10. Redemptions Under Section 302

- Historical background and overview (§ 10:2)
- Complete termination of shareholder's interest—Waiver of family attribution rules (§ 10:5)
- Partial liquidations—Contraction of business test (§ 10:10)
- Computation of gain or loss to shareholder (§ 10:14)

### Chapter 13. Preferred Stock Bailouts

- Statutory exceptions to Section 306—Transactions not in avoidance of federal income tax under Section 306(b)(4) (§ 13:21)

### Chapter 15. Complete Liquidation of Subsidiaries

- Requirements of Section 332—In general (§ 15:2)

Chapter 18. Acquisitive Reorganizations

- Step transaction doctrine (§ 18:13)
- Type A Reorganizations—Overlap with other code provisions (§ 18:19)
- Type B Reorganizations—Control requirement—In general (§ 18:27)

Chapter 20. Corporate Divisions

- Overview of statutory provisions (§ 20:2)
- Nonstatutory requirement of business purpose (§ 20:6)
- Device test—Device factors (§ 20:10)
- Active business requirement—In general (§ 20:14)

Chapter 21. Reorganizations Involving Affiliated Corporations, S Corporations and Other Special Reorganization Problems

- Liquidation-Reincorporation Doctrine—In general (§ 21:9)

Chapter 22. Corporate Tax Attributes

- Overview of limitations on tax attributes in consolidated return setting (§ 22:21)

Chapter 23. Multiple Corporations

- Section 482 reallocation of income and deductions—Two or more organizations, trades or businesses requirement (§ 23:13)
- Section 482 reallocation of income and deductions—Determination by service (§ 23:15)

Chapter 24. S Corporations

- Permitted year requirements (§ 24:11)