2026-2027 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.

This 2026-2027 Edition's recent developments and updated sections include:

Chapter 1. Choice of Entity

- Introduction (§ 1:1)
- Taxation of business income (§ 1:3)
- Summary of major considerations in choice of entity (§ 1:12)

Chapter 3. Overview of Deferred Compensation

- Qualified Plans—Plan Classification—Cash or deferred arrangements (Section 401(k) plans) (§ 3:12)
- Qualified Plans—Plan Qualification Requirements—Top-heavy plans (§ 3:29)
- Qualified Plans—Distributions from Qualified Plans—Introduction (§ 3:40)

Chapter 4. Tax Aspects of Incorporation

- Introduction (§ 4:1)

Chapter 5. Closely Held Corporation's Capital Structure

- Introduction—Advantages of debt in capital structure (§ 5:2)
- Nature of Gain or Loss on Disposition of Stock and Debt—In general (§ 5:12)

Chapter 6. Nonliquidating Distributions of Cash and Property

- Nonliquidating distributions—Three-tiered approach (§ 6:2)
- Intercorporate dividends received deduction (§ 6:13)
- Intercorporate dividends received deduction—Statutory restrictions on dividends received deduction (§ 6:14)

Chapter 7. Stock Dividends

- Tax consequences of taxable stock and stock rights distributions (§ 7:17)

Chapter 8. Accumulated Earnings Tax

- Corporation's motive in retaining earnings (§ 8:1)

Chapter 9. Personal Holding Company Tax

- Introduction and historical background (§ 9:1)

Chapter 10. Redemptions Under Section 302

- Introduction (§ 10:1)

Chapter 11. Redemption to Pay Death Taxes

- Introduction (§ 11:1)

Chapter 12. Redemption by Affiliated Corporations Under Section 304

- Introduction (§ 12:1)

Chapter 14. Complete Liquidations Under Sections 331 and 336

- Tax consequences to shareholders—Series of distributions (§ 14:3)

Chapter 15. Complete Liquidation of Subsidiaries

- Requirements of Section 332—Introduction (§ 15:1)

Chapter 18. Acquisitive Reorganizations

- Overview—Introduction (§ 18:1)

Chapter 19. Reorganizations Involving Corporate Restructurings
- Introduction (§ 19:1)

Chapter 20. Corporate Divisions
- Introduction (§ 20:1)

Chapter 21. Reorganizations Involving Affiliated Corporations, S Corporations and Other Special Reorganization Problems
- Introduction (§ 21:1)

Chapter 22. Corporate Tax Attributes
- Section 381(c) carryover items—Net operating loss carryovers—Section 381(c)(1) (§ 22:7)

Chapter 23. Multiple Corporations
- Overview of statutory and judicial restrictions on use of multiple corporations (§ 23:4)
- Section 1561 restrictions on certain multiple benefits—In general (§ 23:5)