Partnership Interest for Services
Consequences to Partner

- Capital Interest
- Profits Interest

Partnership interest vests immediately
Partnership Interest for Services
Consequences to Partner

- Partnership interest does not vest immediately

Partnership Interest for Services
Consequences to Partner

- Section 83(b) Election

Partnership Interest for Services
Consequences to Partner

- Same as
  - Cash paid for services
  - Cash transferred back to partnership
Partnership Interest for Services
Consequences to Partner

- Revenue Procedure 93-27

Partner Sells Property to the Partnership

- Sale at a gain
- Sale at a loss

Property Contributions Treated as Disguised Sales

- Contributions related to distributions
- Contribution followed by distribution
Property Contributions Treated as Disguised Sales

- Presumption

Partner Contributes Property

- Partnership distributes it to another partner
- Gain or loss is recognized
- Character of gain or loss
- Basis Rules

Partner Contributes Property

- Partner distributes other property to the partner
- Partner recognizes gain
- Basis in partnership interest
Partner Contributes Property
- Partnership distributes other property to the partner
- Partnership's basis in property
- Character of gain

Organization Expenses
- General Rule
  - Not deductible
  - Must be capitalized

Organization Expenses
- Can be amortized
- But only if election is made
Organization Expenses

- Definition
- Examples

Organization Expenses

- What expenses are eligible for amortization?
- How is election made?

Syndication Costs

- Not deductible
- Not amortizable
- Definition
- Examples
Start-up Expenses

- Not Deductible
- Amortizable
- Definition
- Examples