THINGS TO KNOW FOR PARTNERSHIP MIDTERM EXAM

1. How to compute basis in a partner’s interest in the partnership.

2. How to allocate gain on the sale of partnership property among the partners.

3. How to arrive at partner’s initial capital account balances.

4. How to determine the tax consequences of receiving a partnership interest in exchange for services.

5. The tax treatment of guaranteed payments to partners.

6. How to determine the limitation on the deductibility of partnership losses by a partner.

7. How to determine whether an allocation has substantial economic effect.

8. Tax consequences of transactions between a partner and a partnership.

9. Tax consequences of both cash and property distributions by a partnership to a partner.

10. How to determine the tax basis of assets to a partner who received such assets in a distribution from the partnership.

11. Tax consequences of a distribution which terminates a partner’s interest in the partnership.

12. The effect of a Section 754 election.

13. Tax consequences of disproportionate distributions.


15. Tax consequences of the sale of a partnership interest.

16. What events cause a partnership to be terminated for tax purposes.

17. Tax consequences of the sale of property to a partnership by a partner.