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FEDERAL INCOME TAXATION OF CORPORATIONS AND SHAREHOLDERS. By Boris I. Bittker. Hamden, Connecticut: Federal Tax Press. 1959

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BOOK and RECORD REVIEWS

FEDERAL INCOME TAXATION OF CORPORATIONS AND SHAREHOLDERS. By Boris I. Bittker. Hamden, Connecticut: Federal Tax Press. 1959. Pp. 422. (\$12.50)

Professor Boris Bittker, of the Yale Law Faculty, has written a first-rate text. In one short, brilliantly written volume, he casually leads his reader through the most intricate sections of the Code, and pauses to explain the applicable regulations and leading cases with ease and clarity.

In thirteen brief chapters (average length, thirty-one pages), the author outlines such topics as Accumulated Earnings and Undistributed Income, Preferred Stock Bailouts, Collapsible Corporations, Corporate Elections Under Subchapter S, etc. The work really consists, therefore, of thirteen separate studies devoted to phases of corporate or shareholders' income taxation. As explained in the preface, the author began compiling his materials for an advance income tax course given at Yale; a revision of the original text led to publication.

Each chapter freely uses the outline style, replete with references to more detailed materials dealing with topics under examination. For example, Chapter 13, "Corporate Elections Under Subchapter S" contains seven subsections, each of which outlines the principal ideas. Section 13.01, the introductory section, outlines the five principal features to be considered in connection with Subchapter S—Eligibility, Elections, Undistributed Corporate Income, Corporate Losses and Adjustments to Basis. Section 13.02, dealing with Eligibility for Election Under Subchapter S, is further subdivided into the five principal considerations.

If the average practicing attorney takes away no more than a fair recollection of the outline of topics, he will not only broaden his understanding of corporate taxation, but will be better equipped to advise corporate clients.

The Professor does his readers a further service by consciously attempting to blend the academic with the pragmatic. Emphatically highlighting problem areas and pitfalls, he avoids both the monotonous tone of the comprehensive tax treatise and the shallow monologue of the "how-to-do-it" pamphlet.

Returning to his treatment of Subchapter S elections, the author carefully points out that the election does not convert the corporation into individual shareholders for all tax purposes, and that, therefore, the election may not be a panacea for an electing corporation. Thus, Section 1373(b)

of the Code is emphasized. This Section provides that each person who is a stockholder of a Subchapter S corporation on the last day of the corporation's taxable year must include his pro rata share of the corporation's *undistributed*, as well as *distributed* income, in his gross income. Further, the electing corporation must consider the tax consequences of the corporation section of the Code in such areas as corporate redemption, liquidation, and reorganization.

It is this kind of text treatment—a combination of fine organization, conciseness of presentation and sharp emphasis, that makes the book so valuable.

The Florida attorney will regret the exclusion by the author of a discussion of the tax treatment of both the Western Hemisphere Trade Corporations and Foreign Corporations doing business in the United States. Perhaps these gaps will be filled in later editions.

Professor Bittker is to be congratulated.

Robert Paul

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New York Bars

THE VOICE OF MODERN TRIALS. Volume I. Melvin M. Belli. Indianapolis-New York: Bobbs-Merrill Company, Inc., 1959. 3 records. (\$15.00)

Melvin M. Belli, in the three records comprising the first album of this new venture, takes the art of advocacy from the textbook and brings it to life. The impact and impression of the spoken word, especially when spoken by the "King of Torts," cannot be overemphasized. Mr. Belli has attempted to present to the lawyer and law student a living example of the art of trying a lawsuit before a jury. He has achieved a great measure of success in this, his first effort in this field.

Volume I of the *Voice of the Modern Trial Lawyer* contains three records: the first is in an opening statement in a wrongful death action (*Fisher v. L.N.R.R.*); the second record is a closing argument in the case of *Maureen Connolly v. Pre-mined Cement Co.*, and the last is a closing argument in the wrongful death action of *Allen v. United Aircraft*, in which liability was admitted. All three records concern personal injury actions. The opening and closing statements are the actual arguments used by Mr. Belli in these trials, re-created from the Court Reporter's transcript in each case. Unfortunately, this accuracy sometimes sacrifices spontaneity.

The greatest single liability of the presentation is the tendency of Mr. Belli to oftentimes speak in a monotone, obviously due to his reading a written manuscript. But this minor liability is more than overcome by the sheer