

SCHOOL OF ACCOUNTING & COMMERCIAL LAW

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ACCY 316 ADVANCED TAXATION

Trimester Two 2005

COURSE OUTLINE

Contact Details

<i>Course Coordinator/Lecturer</i>	Mr David Dunbar Email:	RH 624 Phone: 463 7422 David.Dunbar@vuw.ac.nz
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Class Times and Room Numbers

Lectures are scheduled for Tuesday, Wednesday and Friday, 10.30 – 11.20am. The Tuesday and Friday lectures will be held in RH LT3, and the Wednesday lecture will be held in GB LT3. In addition, there will be a weekly tutorial for 9 weeks.

Tutorials

Tutorials start in the third week commencing on Monday 18 July. You can sign up for tutorials on Blackboard during the first week of lectures. You are expected to attend tutorials properly prepared and to participate in tutorial discussions.

Course Objectives

On successful completion of the course, you will be able to:

1. Comprehend tax policy behind international tax legislation;
2. Demonstrate an extensive knowledge of an advanced level of contemporary international tax issues;
3. Demonstrate an ability to analyse complex tax law and tax cases;
4. Discuss, orally and in writing, alternative interpretations of the tax law on the topics identified above;
5. Observe general commercial events and identify relevant international tax ramifications.

While not directly taught in this course, you have the opportunity to improve your writing and oral expression skills, which are critical when dealing with matters of a legal nature such as taxation.

This course will be particularly useful to you if you are planning a career in tax advice or administration, or in the international corporate or banking sector.

Course Content

In this course we will examine selected aspects of the rules for taxing income across the New Zealand border, including tax residence and source, the taxation of interest, dividends and royalties, double taxation agreements, non-resident withholding tax, foreign tax credits, foreign companies, trans-Tasman taxation and investment strategies, transfer pricing and thin capitalisation. Some reference will be made to other countries' income tax regimes and also to recent international tax policy reforms and proposals.

Readings

The following texts are required:

1. *New Zealand Taxation 2005, chpt 17*; and
2. *Selected Double Tax Agreements Publication*.

Optional Texts

1. CCH New Zealand, *New Zealand Master Tax Guide 2004*; and
2. *International Tax Primer (2nd edition 2002)*, B.J. Arnold and M.J. McIntyre (Kluwer Law International).

Course Handouts

You will be provided with *selected legislation*, and various academic articles on selected topics.

Students will only be permitted to take *Selected Legislation* and the *Selected Double Taxation Agreements Publication* into the Terms Test and Final Examination. Students must not write on these publications (other than underlining and emphasis marks). In respect of these publications please note the following:

1. Texts authorised by examiner for use in the Terms Test and the Final Examination will be checked at the beginning of the test and final examination.
2. Any text containing written notes of *any kind* will not be allowed to be used by students. **Only emphasis marks by a highlighter pen or by underlining are permitted.**
3. **The indexing of the texts by way of "Post-It" notes or by any other means is prohibited.**
4. Any student who does not have the Selected Legislation or the Selected Double Taxation Agreements Publication to use in the Terms Test or Final Examination because his/her text did not meet the above conditions or any student who forgets to bring the relevant text to the Terms Test or Final Examination, will not be able

to borrow a replacement text from the examiners or to share a text with another student.

Course Materials and Equipment

If you are missing course handouts, spare copies are located on the 6th floor from the shelves outside Room 623. The lecturers do not hold spare copies of handouts in their offices. Students are requested to take only one copy of each handout provided.

Electronic calculators are permitted to be used in the Terms Test and Final Examination. Calculators must be battery powered and silent in operation. Calculators with alphanumeric keyboards and programming functions will not be permitted. If you are in doubt you should check with the Course Coordinator as to whether your calculator meets these requirements.

Assessment Requirements

The final grade awarded for this course will be determined on the following basis:

The weighted average of the following three pieces of assessment:

Terms Test – Friday 2 September, 4.30-6.30pm (GB LT2)	35%
Four assignments satisfactorily completed and submitted on time @ 1.25% each	5%
Final Examination (To be scheduled by Registry)	<u>60%</u>
Total:	<u>100%</u>

The date for the final exam will be announced by the University Registry during the course.

All of the assessment in ACCY 316 is based on each student's own work. There is no group assessment of any kind and no group work should be submitted for assessment.

If your performance during the course is affected by sickness or other personal difficulties (eg bereavement of close relative), you should contact the Course Coordinator as soon as possible. You should not delay this until the end of the course or when final results are posted. In case of sickness, it is essential that you see a registered medical practitioner as soon as possible while you are sick and obtain a medical certificate that certifies that in the opinion of the doctor you are sick and the extent of disability suffered by you during the period of sickness. Medical certificates which simply state "student X visited me and told me they were sick last week etc" do not contain any professional assessment or opinion of the doctor and are of no value.

Terms Requirements

All students enrolled in ACCY 316 at the end of the course will be permitted to sit the final exam.

Mandatory Course Requirements

The mandatory requirements of the course are to sit the Terms Test on Friday 2 September and the Final Exam in the October/November examination period.

Assignments

There will be four assignments that will form an integral part of the course. The Terms Test and Final Examination are set assuming that all assignments have been completed. Assignments are due as follows:

Assignment:	Due:
1.	Friday, 29 July
2.	Friday, 5 August
3.	Friday, 2 September
4.	Friday, 30 September

Assignments are to be handed in by noon on the respective due dates. They should be placed in the ACCY 316 boxes on the Mezzanine floor of Rutherford House. Please ensure that all pages are stapled and that your name and tutorial number are clearly visible on the first page.

In order to obtain credit for assignment work, all assignments must be submitted for grading on time and “satisfactorily completed”, which means that all questions in the assignment have been attempted and that a grade of ‘C’ or higher has been awarded.

In the absence of genuine and credible reasons, late assignments will not be accepted. In no circumstances can assignments be accepted for grading after that assignment has been returned to students or assignment answers have been distributed. It is not possible for lecturers to set special assignment questions to accommodate students who miss assignment deadlines.

Workload

Students should expect to spend, on average, 12 hours per week on the course. How this time is made up will vary somewhat from week to week, but would typically comprise four hours preparing and revising notes and four hours working on assignments and tutorial questions.

Unless you keep up with the course work, you are likely to face considerable problems catching up to be adequately prepared for the Terms Test and Final Examination.

Communication of Additional Information

Additional information concerning this course will be posed on Blackboard and on the Accountancy noticeboard on the Mezzanine Floor of Rutherford House.

General University Policies and Statutes

Students should familiarise themselves with the University's policies and statutes, particularly those regarding assessment and course of study requirements, and formal academic grievance procedures.

Student Conduct and Staff Conduct

The Statute on Student Conduct together with the Policy on Staff Conduct ensure that members of the University community are able to work, learn, study and participate in the academic and social aspects of the University's life in an atmosphere of safety and respect. The Statute on Student Conduct contains information on what conduct is prohibited and what steps can be taken if there is a complaint. For queries about complaint procedures under the Statute on Student Conduct, contact the Facilitator and Disputes Advisor. This Statute is

available in the Faculty Student Administration Office or on the website at:
www.vuw.ac.nz/policy/StudentConduct.

The policy on Staff Conduct can be found on the VUW website at:
www.vuw.ac.nz/policy/StaffConduct.

Academic Grievances

If you have any academic problems with your course you should talk to the tutor or lecturer concerned or, if you are not satisfied with the result of that meeting, see the Head of School or the Associate Dean (Students) of your Faculty. Class representatives are available to assist you with this process. If, after trying the above channels, you are still unsatisfied, formal grievance procedures can be invoked. These are set out in the Academic Grievances Policy which is published on the VUW website:

www.vuw.ac.nz/policy/AcademicGrievances.

Academic Integrity and Plagiarism

Academic integrity is about honesty – put simply it means **no cheating**. All members of the University community are responsible for upholding academic integrity, which means staff and students are expected to behave honestly, fairly and with respect for others at all times.

Plagiarism is a form of cheating which undermines academic integrity. Plagiarism is **prohibited** at Victoria.

The University defines plagiarism as follows:

Plagiarism is presenting someone else's work as if it were your own, whether you mean to or not.

'Someone else's work' means anything that is not your own idea, even if it is presented in your own style. It includes material from books, journals or any other printed source, the work of other students or staff, information from the Internet, software programmes and other electronic material, designs and ideas. It also includes the organization or structuring of any such material.

Plagiarism is not worth the risk.

Any enrolled student found guilty of plagiarism will be subject to disciplinary procedures under the Statute on Student Conduct (www.vuw.ac.nz/policy/studentconduct) and may be penalized severely. Consequences of being found guilty of plagiarism can include:

- an oral or written warning
- suspension from class or university
- cancellation of your mark for an assessment or a fail grade for the course.

Find out more about plagiarism and how to avoid it, on the University's website at:

www.vuw.ac.nz/home/studying/plagiarism.html.

Students with Disabilities

The University has a policy of reasonable accommodation of the needs of students with disabilities. The policy aims to give students with disabilities an equal opportunity with all other students to demonstrate their abilities. If you have a disability, impairment or chronic medical condition (temporary, permanent or recurring) that may impact on your ability to

participate, learn and/or achieve in lectures and tutorials or in meeting the course requirements, then please contact the Course Coordinator as early in the course as possible. Alternatively you may wish to approach a Student Adviser from Disability Support Services to confidentially discuss your individual needs and the options and support that are available. Disability Support Services are located on Level 1, Robert Stout Building, or phoning 463-6070, email: disability@vuw.ac.nz. The name of your School's Disability Liaison Person can be obtained from the Administrative Assistant or the School Prospectus.

Student Support

Staff at Victoria want students' learning experiences at the University to be positive. If your academic progress is causing you concern, please contact the relevant Course Co-ordinator, or Associate Dean who will either help you directly or put you in contact with someone who can.

The Student Services Group is also available to provide a variety of support and services. Find out more at www.vuw.ac.nz/st_services/ or email student-services@vuw.ac.nz.

VUWSA employs two Education Coordinators who deal with academic problems and provide support, advice and advocacy services, as well as organising class representatives and faculty delegates. The Education Office is located on the ground floor, Student Union Building, phone 463 6983 or 463 6984, email education@vuwsa.org.nz.

ACCY 316: LECTURE PROGRAMME 2005

<i>Wk</i>	<i>Date</i>	<i>Staff</i>	<i>Lecture Topic</i>	<i>Assign</i>	<i>Tut</i>
1	July 5	DD	Course Outline		
	July 6	DD	Tax Residency		
	July 8	DD			
2	July 12	DD	Source Rules		
	July 13	DD	Taxation of Outward Investment		
	July 15	DD	Controlled Foreign Company (CFC) regime Foreign Investment Fund (FIF) regime		
3	July 19	AS	FTCs		Tut 1 DD
	July 20	AS			
	July 22	AS			
4	July 26	AS	DTAs		Tut 2 DD
	July 27	AS			
	July 29	AS		1 DD	
5	Aug 2	AS	AIL/FITC		Tut 3 AS
	Aug 3	AS			
	Aug 5	AS			
6	Aug 9	AS			Tut 4 AS
	Aug 10	AS			
	Aug 12	AS		2 AS	
Mid Trimester Break					
7	Aug 30	DD	CFC/FIF continued		
	Aug 31	DD			
	Sept 2			TERMS TEST	3 AS
8	Sept 6	DD	International Tax Planning – Profit Repatriation Transfer Pricing		Tut 5 DD
	Sept 7	DD			
	Sept 9	DD			
9	Sept 13	DD	Thin Capitalisation Outward Investment into Australia		Tut 6 DD Discuss Terms Test
	Sept 14	DD			
	Sept 16	DD			
10	Sept 20	DD			Tut 7 DD
	Sept 21	DD			
	Sept 23	DD			
11	Sept 27	AS	Exchange of Information		Tut 8 DD
	Sept 28	AS			
	Sept 30	AS		4 DD	
12	Oct 4	AS	Tax Recovery Agents		Tut 9 AS
	Oct 5	AS			
	Oct 7	AS			