

School of Accounting and Commercial Law

ACCY 316 ADVANCED INTERNATIONAL TAXATION

Trimester Two 2007

COURSE OUTLINE

Contact Details

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Lecture Times and Room

Lecture times are:

Monday, Tuesday and Wednesday 2:40pm – 3:30pm

All lectures are in GBLT 4.

In addition, there are 8 tutorials of 50 minutes each, commencing in the week beginning Monday 23 July. Tutorial times and locations are listed on the online *Blackboard* system (<http://blackboard.vuw.ac.nz>). See also under *Tutorials* on page 5.

There is a Terms Test on Monday 3 September 2007 (time and place to be advised) and a Final Examination, which is scheduled during the examination period, 20 October – 10 November 2007.

Attendance at Lectures

This is a lecture based course. Therefore, you are strongly recommended to attend *all* lectures. Much information, which is examinable, is conveyed by the *spoken word only* and is not posted on *Blackboard* or otherwise distributed!

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 at an advanced level of contemporary international tax issues;
3. Demonstrate an ability to analyse complex tax law;
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. To assist you in this respect, we advise you to purchase or refer to a copy of Fleet, W., Summers, J. and Smith, B., (2004) *Communication Skills Handbook for Accounting*, Wiley, Milton.

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 sectors.

Course Content

The course essentially comprises 2 broad components:

- (a) New Zealand's international tax policy, law and practice; and
- (b) double tax agreements.

The first component is further broken down into two general categories:

- (i) The taxation of New Zealand residents that enter into active and passive economic activities overseas; and
- (ii) The taxation of non-residents that enter into active and passive economic activities in New Zealand.

While the focus of component (a) above is on New Zealand, the topics are still relevant if you are an international student, or a New Zealand student who anticipates working overseas, because New Zealand international tax policy, law and practice generally follows international norms and best practice adopted by many other countries.

The component on double tax agreements concentrates on applications in various countries of the OECD and United Nations model double tax treaties, including New Zealand.

A lecture outline, which lists the topics covered in the course, is set out on page 9. Further information will be provided by lecturers.

Readings

The following legislation and materials are *required* for this course:

1. *New Zealand Taxation 2007 Legislation Handbook*, Thomson Brookers, 2007 or CCH Income Tax Legislation 2007 – Student edition. This is the same legislation as that specified for ACCY 305 this year.

2. Alley et al, *New Zealand Taxation 2006: Principles, Cases and Questions*, 2007, Thomson Brookers, Wellington or CCH New Zealand, *New Zealand Master Tax Guide 2007*.
3. ACCY 316 Double Tax Agreements publication (which is issued to you free of charge during the course).
4. ACCY 316 Course Materials Book (which you must purchase from the Student Notes Distribution Centre)

The following texts are **recommended** for this course:

1. Arnold, B.J. and M.J. McIntyre, *International Tax Primer*, 2002, Kluwer Law International, 2nd ed. This text is held on closed reserve in the Law Library.

Additional reading material will be provided in lectures and on *Blackboard*.

You are allowed to take the tax legislation and double tax agreements publication into the Terms Test and Final Examination. We strongly recommended that you do so. If you want to take this tax legislation and double tax agreements publication into the Terms Test and Final Examination, you **must not** write in them other than *only emphasis marks by underlining and/or highlighting* parts of the text.

With respect to using the legislation and double tax agreement publication in the Terms Test and Final Examination, you should note that:

1. they will be checked at the beginning of the Terms Test and Final Examination.
2. if they contain notes of any kind, you will **not** be allowed to use them. Remember that only emphasis marks by a highlighter pen or by underlining are permitted.
3. the use of tabs, whether “Post-it” notes/stickers or any other kind of tab, is prohibited.
4. if you are unable to take the tax legislation and double tax agreements publication into the Terms Test or Final Examination because your copies does not meet the above conditions or you forgot to bring them to the test or exam, you **cannot** borrow replacement copies from the examiners or share copies with another student.

Please ensure that you take the legislation and double tax agreement publication to the relevant lectures

Expected Workload

You should expect to spend on average 14 hours per week on the course (*excluding* time to study for the Terms Test and Final Examination). How this time is made up varies from week to week, but typically comprises:

- 3 hours in scheduled lectures;
- 3 hours preparing for, and participating in, tutorials;
- 4 hours preparing and writing assignments; and
- 4 hours reading for lectures, and revising lecture and tutorial notes.

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

Group Work

All of the assessment in this course is based on your own work. There is no group assessment of any kind and **no group work can be submitted for assessment**: see also under *Academic Integrity and Plagiarism* and *Notice of Turnitin Use* on pages 6 and 7.

Materials and Equipment

Most course materials can be downloaded from *Blackboard* or found in the Course Materials Book. Lecturers do not hold spare copies of any course materials. If you are having any trouble obtaining course materials, please contact the Course Administrator in RH 708, who is available Monday to Friday from 8.30am to 5.00pm.

Electronic calculators and non-electronic foreign language dictionaries may be used in the Terms Test and Final Examination. Calculators with alphanumeric keyboards and programming functions, or which store or display anything other than Arabic numbers, are **not** permitted. Calculators **must** be battery powered and silent in operation. Mobile phones are **not** permitted in the Terms Test or Final Examination. If you are in doubt, check with the Course Coordinator.

Assessment Requirements

There are 2 assessment points, which make up your final grade for this course, as follows:

	<i>Percentage of final grade</i>	<i>Date</i>
Terms Test (100 minutes)	35%	Monday 3 September 2007 – time and place to be advised
Final Examination (3 hours)	65%	During examination period (20 October–10 November) – actual date and time to be advised

To pass this course you must obtain a weighted average mark of 50% or more over the Terms Test and Final Examination. In addition, you must meet the mandatory course requirement (see below). *If you obtain a weighted-average mark of 50% or more but fail to meet the mandatory requirement, you will **FAIL** the course and be given a 'K' grade.*

If your performance is affected by sickness or other personal difficulties (e.g. bereavement of a close relative), you must contact the Course Coordinator as soon as possible. You must not delay this until the end of the course or when final results are published. 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 that simply state “student X visited me and told me he/she was sick last week”, or something to that effect, do not contain any professional assessment or opinion of the doctor and are of no value.

Mandatory Course Requirement

In addition to the *Assessment Requirements* above, to pass the course you **must** hand in to a satisfactory level at least **3** of the **4** assignments on time.

Assignments

There are four assignments, which 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 No:	Due Thursday:
1	2 August
2	16 August
3	20 September
4	11 October

Assignment questions are posted on *Blackboard* at least 2 weeks before the relevant assignment due date. Suggested solutions to the assignments are also posted on *Blackboard* (but after the due date!).

Assignments are to be handed in by 5.00pm on the respective due dates. They should be placed in the ACCY 316 box 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 the absence of genuine and credible reasons, late assignments will **not** be accepted. In no circumstances can assignments be accepted for grading after the suggested solutions have posted on *Blackboard* or otherwise released. It is not possible for lecturers to set special assignment questions to accommodate you if you miss assignment deadlines. If you have concerns about a late assignment, you should contact the Course Coordinator.

Tutorials

The course contains 6 tutorials, all of which you are strongly advised to attend and actively participate. You need to fully prepare answers to the tutorial questions beforehand so that you can knowledgeably contribute to the tutorial discussions.

Tutorial questions are posted on *Blackboard* at least 1 week before the relevant tutorial. Written answers to tutorial questions are **not** posted on *Blackboard* or otherwise distributed.

Tutorials take place in the following weeks:

	<i>Week beginning</i>
Tutorial 1 (KH)	23 July 2007
Tutorial 2 (KH)	30 July 2007
Tutorial 3 (DW)	6 August 2007
<i>Mid-trimester break</i>	
Tutorial 4 (DW)	10 September 2007
Tutorial 5 (KH)	17 September 2007
Tutorial 6 (KH)	24 September 2007
Tutorial 7 (DW)	1 October 2007
Tutorial 8 (DW)	8 October 2007

Tutorial sign-up is on-line (<https://signups.vuw.ac.nz>) during the first week of the trimester. The exact time that the signup starts (and any access denial times) will be given in the first week's lectures. Instructions for signing up are on page 10. Places in tutorials are allocated on a "first-come, first-served" basis.

Although attendance at tutorials does not form part of the assessment requirements or mandatory course requirement, it is taken into consideration if you:

- (i) are on the pass/fail borderline for the course;
- (ii) are on a grade borderline;
- (iii) apply for an aegrotat pass.

Communication of Additional Information

This Course Outline is available, along with other information and materials relating to the course, on *Blackboard*. You are expected to have access to *Blackboard* to participate in this course. All announcements and notices are posted in the *Announcements* section of *Blackboard*. If you have problems accessing *Blackboard*, you should contact Student Computing Services or the Course Administrator. Where applicable, copies of slides presented in lectures will generally be made available on *Blackboard*.

Additional information is also conveyed to you in the lectures.

Faculty of Commerce and Administration Offices

Railway West Wing (RWW) - FCA Student and Academic Services Office

The Faculty's Student and Academic Services Office is located on the ground and first floors of the Railway West Wing. The ground floor counter is the first point of contact for general enquiries and FCA forms. Student Administration Advisers are available to discuss course status and give further advice about FCA qualifications. To check for opening hours call the Student and Academic Services Office on (04) 463 5376.

Easterfield (EA) - FCA/Education/Law Kelburn Office

The Kelburn Campus Office for the Faculties of Commerce and Administration, Education and Law is situated in the Easterfield Building - it includes the ground floor reception desk (EA005) and offices EA125a to EA131 (Level 1). The office is available for the following:

- Duty tutors for student contact and advice.
- Information concerning administrative and academic matters.
- Forms for FCA Student and Academic Services (e.g. application for academic transcripts, requests for degree audit, COP requests).
- Examination related information during the examination period.

To check for opening hours call the Student and Academic Services Office on (04) 463 5376.

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. The University defines plagiarism as follows:

The presentation of the work of another person or other persons as if it were one's own, whether intended or not. This includes published or unpublished work, material on the Internet and the work of other students or staff.

It is still plagiarism even if you re-structure the material or present it in your own style or words.

Note: It is, however, perfectly acceptable to include the work of others as long as that is acknowledged by appropriate referencing.

Plagiarism is prohibited at Victoria and is not worth the risk. If you are found guilty of plagiarism you will be subject to disciplinary procedures under the Statute on Student Conduct and may be penalised severely. Consequences of being found guilty of plagiarism can include:

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

Note also that if you are found guilty of plagiarism, your name is entered on the University's *Academic Misconduct Register*.

Find out more about plagiarism, and how to avoid it, on the University's website at <http://www.vuw.ac.nz/home/studying/plagiarism.html>

Notice of Turnitin Use

The work that you submit for assessment in this course may be checked for academic integrity by the electronic search engine, *Turnitin* – <http://www.turnitin.com>. *Turnitin* is an on-line plagiarism prevention tool, which identifies material that may have been copied from other sources including the Internet, books, journals, periodicals or the work of other students. *Turnitin* is used to assist us in detecting misreferencing, misquotation, and the inclusion of unattributed material, which may be forms of cheating or plagiarism. At the discretion of the Head of School, handwritten work may be copy typed by the School and subject to checking by *Turnitin*. You are strongly advised to check with your tutor or the Course Coordinator – Academic if you are uncertain about how to use and cite material from other sources. *Turnitin* will retain a copy of submitted materials on behalf of the University for detection of future plagiarism, but access to the full text of submissions will not be made available to any other party.

General University Policies and Statutes

You should familiarise yourself with the University's policies and statutes, particularly the Assessment Statute, the Personal Courses of Study Statute, the Statute on Student Conduct and any statutes relating to the particular qualifications for which you are studying: see the Victoria University *Calendar 2007* or go to <http://www.vuw.ac.nz/policy>.

For information on the following topics, look under *Important Information for Students* on the Faculty's website: www.vuw.ac.nz/fca

- Academic Grievances
- Academic Integrity and Plagiarism
- Student and Staff Conduct
- Meeting the Needs of Students with Impairments
- Student Support

Manaaki Pihipihinga Programme

Manaaki Pihipihinga is an academic mentoring programme for undergraduate Māori and Pacific students in the Faculties of Commerce and Administration, and Humanities and Social Sciences. Sessions are held at the Kelburn and Pipitea Campuses in the Mentoring Rooms, 14 Kelburn Parade (back courtyard), Room 109D, and Room 210, Level 2, Railway West Wing. There is also a Pacific Support Coordinator who assists Pacific students by linking them to the services and support they need while studying at Victoria. Another feature of the programme is a support network for Postgraduate students with links to Postgraduate workshops and activities around Campus. For further information, or to register with the programme, email manaaki-pihipihinga-programme@vuw.ac.nz or phone (04) 463 5233 ext. 8977. To contact the Pacific Support Coordinator, email pacific-support-coord@vuw.ac.nz or phone (04) 463 5842.

ACCY 316: LECTURE PROGRAMME 2007

Wk	Date	Lecturer	Lecture Topic	Assignment	Tutorial
1	July 9	KH	<u>Introduction</u>		
	July 10	KH	Tax Residence		
	July 11	KH	Source		
2	July 16	KH	<u>Taxation of New Zealand Residents</u>		
	July 17	KH	Foreign Tax Credits		
	July 18	KH			
3	July 23	DW	Controlled Foreign Company (CFC) regime		No. 1 KH
	July 24	DW			
	July 25	DW			
4	July 30	DW	Foreign Investment Fund (FIF) regime		No. 2 KH
	July 31	DW			
	Aug 1	DW		No. 1 KH	
5	Aug 6	DW			No. 3 DW
	Aug 7	DW			
	Aug 8	DW			
6	Aug 13	KH	<u>Taxation of Non-Residents</u>		
	Aug 14	KH	NRWT		
	Aug 15	KH	AIL	No. 2 DW	
Mid Trimester Break					
7	Sept 3		TERMS TEST		
	Sept 3	KH	FDWP FITC		
	Sept 4	KH			
8	Sept 5	KH			
	Sept 10	KH	Double Tax Agreements		No. 4 DW
	Sept 11	KH			
Sept 12	KH				
9	Sept 17	KH			No. 5 KH
	Sept 18	KH			
	Sept 19	KH	No. 3 KH		
10	Sept 24	DW	Transfer Pricing		No. 6 KH
	Sept 25	DW			
	Sept 26	DW			
11	Oct 1	DW	Thin Capitalisation		No. 7 DW
	Oct 2	DW			
	Oct 3	DW			
12	Oct 8	DW	Current issues		No. 8 DW
	Oct 9	DW			
	Oct 10	DW		No. 4 DW	

This is a general lecture outline only. Some topics may be addressed in a different week from that shown here.

Detailed Tutorial Signup Instructions

To sign up for your ACCY 316 tutorial you need to follow the instructions below.
Read these instructions carefully and take your time to follow the procedure step-by-step.

1. Go to the signup website at: <https://signups.vuw.ac.nz>
2. Enter your SCS username and password to log into the system.
3. The *Signup Home* page opens. It displays all courses you are enrolled for and that use the S-Cubed Tutorial & Workshop Signup system. Click on **ACCY 316**.
4. The ACCY 316 course page opens. It shows the course contact and brief details of the signup instructions. A **KEY** is provided at the bottom that explains all buttons and what they do.
5. The schedule of tutorials includes the day/time, location, maximum group size, and spaces left in the tutorials.
6. If there are spaces left in a particular tutorial, you will see the **ENROL** button next to it. Click this button to enrol yourself in that tutorial.
7. If there are no more spaces left in a particular tutorial, you will see the **JOIN WAITLIST** button, if a waitlist is available. Click this button to join the waitlist for that tutorial. (Note that if you do this, you will be removed from any other waitlist that you may have joined earlier). If somebody withdraws from this tutorial, you will automatically be moved up the waitlist or, if you are already at the top of it, you will be enrolled in the tutorial. An email will be sent to you if you are enrolled in the tutorial from the waitlist.
8. Note that you can only join a waitlist if you have *already enrolled* in one of the other available tutorials. In other words, you must first enrol in one tutorial and then you can choose to join the waitlist for another preferred tutorial.
9. You can choose to **WITHDRAW** from a tutorial you have already enrolled in. You can also choose to **CANCEL WAITLIST** to remove yourself from a particular waitlist.
10. A **FULL** button indicates that all seats and the waitlist are full for that tutorial. You must choose another tutorial.
11. More details on the various buttons are available in the **KEY** section at the bottom of the signup page.
12. You should enrol in only **ONE** tutorial and may join the waitlist for only **ONE** other tutorial.
13. This online signup system is available around the clock over the internet. You can log in and sign up (or change your signup) anytime **before the closing date** of the tutorial signup. ***You will NOT be able to sign up or change your choice after the tutorial signups have closed.*** Any requests after this date are manually handled by the Course Administrator. You must submit a written application stating why you were not able to sign up on time using the online system, along with other relevant documentation, such as medical certificate, etc.
14. You can view/confirm details of the tutorials that you are enrolled in and waitlisted for, such as the day, time and location, by clicking on **My Signups** on the left hand menu.
15. Click on **Support** on the left hand menu if you are having problems.

Finally, **you must always attend the tutorials that you have signed up for**. If you attend a different tutorial, your attendance may not be recorded.