



SCHOOL OF ACCOUNTING & COMMERCIAL LAW

**ACCY 305: ADVANCED DOMESTIC TAXATION**

Trimester One 2008

**COURSE OUTLINE**

**Contact Details**

*Lecturers*

Andrew Smith                      RH 620      Ph: 463 6707      Email: andrew.smith@vuw.ac.nz  
Lisa Marriott                      RH 630      Ph: 463 6107      Email: lisa.marriott@vuw.ac.nz

*Course Coordinator*

Andrew Smith

*Course Administrator*

Marina Dobrovolskaya      RH 708      Ph: 463 5775      Email: marina.dobrovolskaya@vuw.ac.nz

**Lecture Times and Lecture Rooms**

Lecture times are: Tuesday, Wednesday and Friday, from 2.40pm – 3.30pm in RH LT1 at the Pipitea Campus. In addition, there are eight tutorials of 50 minutes each. These tutorials are optional. Tutorial times and locations are listed on *Blackboard*. See also under *Tutorials* in this Course Outline.

**Course Objectives**

The objective of the course is to provide a general introduction to taxation in New Zealand and to examine the impact of taxation on business decision making. The course does not aim to offer a detailed working knowledge of all facets of the tax system. Due to time constraints, the course is oriented towards business taxation. There is no coverage of international taxation, which is addressed in ACCY 316.

You will be successful in this course if, at the end of it, you are able to:

- understand and explain the basic principles and policies of income tax law in New Zealand;
- assess and provide reasoned arguments concerning whether particular transactions give rise to assessable income or to deductible expenditure or loss; and
- understand how transactions can be arranged legally to minimise a tax liability.

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.

### **Course Content**

Details of the lecture programme are provided in a table at the end of this Course Outline.

### **Required Textbook and Course Materials**

The following textbook and materials are required for this course:

1. Alley et. al., *New Zealand Taxation 2008: Principles, Cases and Questions*, Thomson Brookers, Wellington, 2008.
2. *New Zealand Taxation 2008 Legislation Handbook*, Thomson Brookers, Wellington, 2008.
3. *ACCY 305 Course Materials Book 2008*, which can be purchased from the bookshop on the ground floor of Rutherford House.
4. Handouts distributed in lectures and/or posted on *Blackboard*.

The Thomson Brookers publications listed in (1) and (2) above may be purchased as a set at a discount.

The *New Zealand Taxation 2008 Legislation Handbook* may be taken into the Terms Test and Final Examination. It is strongly recommended that you do so. If you want to take the *Legislation Handbook* into the Terms Test and Final Examination, you **must not** write in it other than emphasis marks by underlining and/or highlighting parts of the text.

With respect to using this legislation in the Terms Test and Final Examination, please note:

1. The tax legislation will be checked at the beginning of the test and final examination.
2. Legislation containing notes of any kind will **not** be allowed to be used. Only emphasis marks by a highlighter pen or by underlining are permitted.
3. The indexing of the legislation by tabs whether by use of “Post-it” notes or any other means is prohibited.
4. Any student who does not have tax legislation to use in the test(s) because his/her text did not meet the above conditions or the student forgot to bring their legislation will **not** be able to borrow a replacement copy from the examiners or to share a copy with another student.

### **Materials and Equipment**

Most course materials can be found in the Course Materials Book or downloaded from the online *Blackboard* system. The course lecturers do not hold spare copies of any Course Notes or course handouts in their offices. If you are having any trouble obtaining course materials, please contact Marina Dobrovolskaya in RH 708, who is available Monday to Friday between 8.30am-5.00pm.

Electronic calculators and non-electronic foreign language dictionaries may 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, check with the course coordinator.

### **Tutorials**

The course contains eight tutorials. While the tutorials are optional we recommend you plan to attend all of them as they will provide valuable information and skills that will assist with obtaining a good grade in this course.

Tutorials start in the **second** week of the course from Monday, 3 March. Tutorial sign-up will be on-line through *Blackboard* during the first week of classes. The exact time the sign-up will start will be provided in class. The instructions for signing up are later in this Course Outline. Places in tutorials are allocated on a “first-come, first-served” basis. Tutorial lists will be posted on *Blackboard*.

*You are expected to attend tutorials properly prepared and to participate in tutorial discussions. Answers to tutorial questions are not available to students for copying and will not be distributed nor posted on Blackboard.*

The dates for the tutorials and the lecturer responsible for setting them are as follows:

Tutorial 1	Week beginning 10 March	L Marriott
Tutorial 2	Tutorials held Monday to Wednesday will be in the week commencing <b>17 March</b> , prior to the Easter break. Tutorials held Thursday and Friday will be held in the week commencing <b>24 March</b> , after the Easter break.	L Marriott
Tutorial 3	Week beginning 31 March	L Marriott
Tutorial 4	Week beginning 28 April	A Smith
Tutorial 5	Week beginning 5 May	A Smith
Tutorial 6	Week beginning 12 May	A Smith
Tutorial 7	Week beginning 19 May	A Smith
Tutorial 8	Week beginning 26 May	A Smith

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

### **Assignments**

There will be six assignments to be completed that will form an integral part of the course. *You must satisfactorily complete four of the six* (see *Mandatory Course Requirements* in this Course Outline). The terms test and final examination will be set assuming that all assignments have been completed.

Assignment questions are posted on *Blackboard* at least two weeks before the relevant assignment due date. Suggested solutions to the assignments are also posted on *Blackboard*.

The due dates for the assignments and the lecturer responsible for setting them are as follows:

Assignment 1	Wed 12 March, 5.00pm	L Marriott
Assignment 2	Wed 26 March, 5.00pm	L Marriott
Assignment 3	Wed 2 April, 5.00pm	L Marriott
Assignment 4	Wed 14 May, 5.00pm	A Smith
Assignment 5	Wed 21 May, 5.00pm	A Smith
Assignment 6	Wed 28 May, 5.00pm	A Smith

Assignments should be placed in the ACCY 305 box on the Mezzanine Floor of Rutherford House by the above times. Please ensure that your name, student number and **tutorial number** are clearly marked on your assignment and that all pages are stapled together. Please use the labels provided in this Course Outline when submitting your assignments.

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 been posted on *Blackboard* or otherwise released. It is not possible for lecturers to set special assignment questions to accommodate students who miss assignment deadlines. If you have concerns about a late assignment, you should contact the Course Coordinator.

### **Assessment Requirements**

The assessment for the course is as follows:

1. Terms Test (2 hours) (Date / time to be confirmed) 40%
2. Final Examination - 3 hours (Mid-year examinations period) 60%

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

In addition to obtaining a weighted average mark of 50% or more over the Terms Test and Final Examination, you must also meet the mandatory requirements of the course. If you obtain a weighted-average mark of 50% or more but fail to meet mandatory requirements you will FAIL the course and will be given a 'K' grade.

Please note that all of the assessment in ACCY 305 is based on your own work. There is no group assessment of any kind and no group work should be submitted for assessment: see also under *Academic Integrity and Plagiarism* later in this Course Outline.

If your performance is affected by sickness or other personal difficulties (e.g. bereavement of a close relative) you should contact the Course Coordinator as soon as possible. You must not delay this until the end of the course or when final results are posted.

## **Mandatory Course Requirements**

In addition to the *Assessment Requirements* above, to pass the course you must hand in at least four *satisfactorily completed* assignments on time.

For an assignment to be “satisfactorily completed”, all questions must be attempted and the student receive a grade of a ‘C’ or better.

## **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 Administrative Coordinator, Marina Dobrovolskaya. Where applicable, copies of slides presented in lectures will generally be made available on *Blackboard*.

## **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 office on (04) 463 5376.

### *Easterfield (EA) - FCA/Law Kelburn Office*

The Kelburn Campus Office for the Faculties of Commerce & Administration and Law is situated in the Easterfield Building - it includes the ground floor reception desk (EA005) and offices 125a to 131 (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).
- Examinations-related information during the examination period.

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

## **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 available in hard copy or under *About Victoria* on the VUW home page at <http://www.victoria.ac.nz>.

## **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 are to be taken if there is a complaint. For information about complaint procedures under the Statute on Student Conduct, contact the Facilitator and Disputes Advisor or refer to the statute on the VUW policy website at <http://www.vuw.ac.nz/policy/studentconduct>. The Policy on Staff Conduct can be found on the VUW website at <http://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; class representatives may be able to help you in this. If you are not satisfied with the result of that meeting, see the Head of School or the Associate Dean. VUWSA Education Coordinators are available to assist in this process. If, after trying the above channels, you are still dissatisfied, 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](http://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:

*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 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](http://www.vuw.ac.nz/policy/studentconduct)) and may be penalised severely. Consequences of being found guilty of plagiarism can include:

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

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: [www.vuw.ac.nz/home/studying/plagiarism.html](http://www.vuw.ac.nz/home/studying/plagiarism.html).

### **Students with Impairments**

The University has a policy of reasonable accommodation of the needs of students with disabilities. The policy aims to give students with disabilities the same opportunity as other students to demonstrate their abilities. If you have a disability, impairment or chronic medical condition (temporary, permanent or recurring) which 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 discuss your individual needs and the available options and support on a confidential basis. Disability Support Services are located on Level 1, Robert Stout Building, telephone 463-6070, email: [disability@vuw.ac.nz](mailto:disability@vuw.ac.nz). The name of your School's Disability Liaison Person can be obtained from the School Office or Disability Support Services.

### **Student Support**

Staff at Victoria want students to have positive learning experiences at the University. Each Faculty has a designated staff member who can either help you directly if your academic progress is causing you concern, or quickly put you in contact with someone who can. Assistance for specific groups is also available from the Kaiwawao Māori, Manaaki Pihipihinga or Victoria International.

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/](http://www.vuw.ac.nz/st_services/) or email [student-services@vuw.ac.nz](mailto: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](mailto:education@vuwsa.org.nz).

### **Manaaki Pihipihinga Māori and Pacific Mentoring Programme (Faculty of Commerce and Administration).**

This is a mentoring service for Māori and Pacific students studying at all levels. Weekly one hour sessions are held at the Kelburn and Pipitea Campuses in the Mentoring Rooms, 14 Kelburn Parade, and Rooms 210 and 211, Level 2, Railway West Wing. Sessions cover drafting and discussing assignments, essay writing, and any questions that may arise from tutorials and/or lectures. A computer suite networked to Cyber Commons is available for student use.

To register with Manaaki Pihipihinga, please contact one of the following:

Puawai Wereta  
Room 210, Level 2  
Railway West Wing

Fa'afai Seiuli  
Room 109 B  
14 Kelburn Parade

Tel. (04) 463 8997  
Email: [Puawai.Wereta@vuw.ac.nz](mailto:Puawai.Wereta@vuw.ac.nz)

Tel. (04) 463 5842  
Email: [Faafoi.Seiuli@vuw.ac.nz](mailto:Faafoi.Seiuli@vuw.ac.nz)



# COURSE PROGRAMME

<i>Week</i>	<i>Date</i>	<i>Lecturer</i>	<i>Assignment Due</i>	<i>Lecture Topic</i>
1	Feb 25	L Marriott		Introduction
2	Mar 3	L Marriott		Core Provisions Assessable Income
3	Mar 10	L Marriott	1. (LM) 12 Mar	- Common law concepts
4	Mar 17	L Marriott	(no lecture 21 Mar due to Easter Break)	- Business income
5	Mar 24	L Marriott	2. (LM) 26 Mar (no lecture 25 Mar due to Easter Break)	- Employment (& FBT)
6	Mar 31	L Marriott	3. (LM) 2 Apr	- Personal Property Sales
7	Apr 7	A Smith		- Land Sales
				- Investment & Other Sources of Income
				Allowable Deductions
				- General Deduction Rule
				- Prohibitions
				- Specific Deduction Rules
				- Depreciation
				- Timing
				Financial Arrangement Rules
MID-TERM TRIMESTER BREAK (12 April – 27 April)				
8	Apr 28	A Smith		Tax Accounting
9	May 5	A Smith		Partnerships
				Trusts
				Companies
				- Dividends and Imputation
				- Losses Offsets & C/forwards
10	May 12	A Smith	4. (AS) 14 May	- Qualifying Companies (QC)
11	May 19	A Smith	5. (AS) 21 May	
12	May 26	A Smith	6. (AS) 28 May	Tax Planning and Tax Avoidance

## Detailed Tutorial Signup Instructions

1. Go to the signup website at: <https://signups.vuw.ac.nz>
2. Enter your SCS username and password to login 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 the course you wish to sign up for.
4. The selected course page opens. It will show 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 tutorial sessions.
6. If there are spaces left in a particular session, you will see the “ENROL” button next to it. You can click this button to enrol yourself into that tutorial session.
7. If there are NO more spaces left in a particular session, you will see the “JOIN WAITLIST” button, if available. You can click this button to join the waitlist for that tutorial session. Please note that you will be removed from any other waitlist you may have joined earlier. If somebody withdraws from this session, you will automatically be moved up the waitlist or enrolled into the session. In this case you are enrolled in the session; an email will be sent to you if you are enrolled into the session from a waitlist.
8. You can only “JOIN WAITLIST” if you have already enrolled in one of the other available sessions. In other words, “ENROL” in one session and then you can choose to join the waitlist for another preferred session.
9. You can choose to “WITHDRAW” from a session you have already enrolled for. You can also choose to “CANCEL WAITLIST” to remove yourself from a particular waitlist.
10. A “FULL” button indicates all seats and waitlist are full for that tutorial session. You must choose another session.
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 session and may “JOIN WAITLIST” for only ONE other tutorial session.
13. You can login and signup (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.**
14. You can view/confirm details of the sessions you are enrolled and waitlisted for, such as 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.

This online signup system is available around the clock over the internet. Any requests after this date will need to be manually handled by the course administrator. You will need to submit a written application stating the reason why you were not able to sign up on time using the online system, along with other relevant documentation such as medical certificate etc.

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

For administrative efficiency, please use the labels provided on this page when submitting your assignments. The labels have been pre-numbered for Assignments 1 to 6. For each assignment, cut out and complete the correct assignment label and place your stapled and labelled assignment in the ACCY 305 assignment box on the Mezzanine Floor, Rutherford House.

<p><b><u>SURNAME:</u></b> .....</p> <p><b>FIRST NAME:</b> .....</p> <p><b>STUDENT ID:</b> .....</p> <p><b>TUTORIAL GROUP NUMBER:</b> .....</p> <p style="text-align: center;"><b>ACCY 305 Assignment No 6</b></p> <p style="text-align: center;"><b>Due on Wed 28 May 2008, by 5.00pm</b></p>	<p><b><u>SURNAME:</u></b> .....</p> <p><b>FIRST NAME:</b> .....</p> <p><b>STUDENT ID:</b> .....</p> <p><b>TUTORIAL GROUP NUMBER:</b> .....</p> <p style="text-align: center;"><b>ACCY 305 Assignment No 5</b></p> <p style="text-align: center;"><b>Due on Wed 21 May 2008, by 5.00pm</b></p>
<p><b><u>SURNAME:</u></b> .....</p> <p><b>FIRST NAME:</b> .....</p> <p><b>STUDENT ID:</b> .....</p> <p><b>TUTORIAL GROUP NUMBER:</b> .....</p> <p style="text-align: center;"><b>ACCY 305 Assignment No 4</b></p> <p style="text-align: center;"><b>Due on Wed 14 May 2008, by 5.00pm</b></p>	<p><b><u>SURNAME:</u></b> .....</p> <p><b>FIRST NAME:</b> .....</p> <p><b>STUDENT ID:</b> .....</p> <p><b>TUTORIAL GROUP NUMBER:</b> .....</p> <p style="text-align: center;"><b>ACCY 305 Assignment No 3</b></p> <p style="text-align: center;"><b>Due on Wed 2 Apr 2008, by 5.00pm</b></p>
<p><b><u>SURNAME:</u></b> .....</p> <p><b>FIRST NAME:</b> .....</p> <p><b>STUDENT ID:</b> .....</p> <p><b>TUTORIAL GROUP NUMBER:</b> .....</p> <p style="text-align: center;"><b>ACCY 305 Assignment No 2</b></p> <p style="text-align: center;"><b>Due on Wed 26 Mar 2008, by 5.00pm</b></p>	<p><b><u>SURNAME:</u></b> .....</p> <p><b>FIRST NAME:</b> .....</p> <p><b>STUDENT ID:</b> .....</p> <p><b>TUTORIAL GROUP NUMBER:</b> .....</p> <p style="text-align: center;"><b>ACCY 305 Assignment No 1</b></p> <p style="text-align: center;"><b>Due on Wed 12 Mar 2008, by 5.00pm</b></p>