

School of Accounting and Commercial Law

TAXN 303 INTERNATIONAL TAXATION

Trimester One 2012

COURSE OUTLINE

Names and Contact Details

Course Coordinator &

Lecturer: Assoc Professor Andrew Smith RH 620 463-6707
Email andrew.smith@vuw.ac.nz
Office hours: To be advised later.

Lecturer: Professor Kevin Holmes RH 618 463-5968
Email: Kevin.Holmes@vuw.ac.nz
Office hours: To be advised later.

Course Administrator: Lee Vassiliadis RH 708 463-5383
Email: Lee.Vassiliadis@vuw.ac.nz
(Office hours: Monday-Friday 8.30am-5pm)
(Office is closed: 10.30-10.45am and 3.30-3.45pm.)

If you email or call any of the Course Lecturers or the Course Administrator, please identify yourself as a TAXN 303 student to prevent confusion with other TAXN courses being taught in the same trimester.

Trimester Dates

Teaching Period: Monday 5 March – Friday 8 June
Study Period: Monday 11 June – Thursday 14 June
Examination Period: Friday 15 June – Wednesday 4 July (inclusive)

Withdrawal from Courses

1. Your fees will be refunded if you withdraw from this course on or before **16 March 2012**.
2. The standard last date for withdrawal from this course is Friday **18 May 2012**. After this date, students forced to withdraw by circumstances beyond their control must apply for permission on an 'Application for Associate Dean's Permission to Withdraw Late' including supporting documentation.

The application form is available from either of the Faculty's Student Customer Service Desks.

Class Times and Room Numbers

Mondays and Thursdays 9.30-10.20

Venue: LT 3, Government Buildings, Pipitea Campus

In addition, there are **nine** tutorials of 50 minutes each. Tutorial times and locations are listed on *Blackboard*. See also under *Tutorials* in this Course Outline.

Course Content

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

Course Learning Objectives

By the end of this course, students should be able to:

- (a) explain how New Zealand residents will be taxed in New Zealand on income earned outside New Zealand;
- (b) explain how non-residents will be taxed in New Zealand on income derived from New Zealand sources;
- (c) explain and critique the tax policies behind New Zealand's international tax regime;
- (d) discuss contemporary international tax issues at an advanced level;
- (e) discuss, orally and in writing, alternative interpretations of the tax law on key international tax issues;
- (f) identify international tax ramifications of general commercial events.

Course Delivery

Tuition in this course is provided by way of lectures and tutorials. Students should ensure that they attend all scheduled lectures and tutorials to maximise their learning opportunities.

Expected Workload

You should expect to spend on average 150 hours studying over the whole course which is broken down as follows:

- 24 hours in scheduled lectures;
- 9 hours of tutorial classes;
- 36 hours for background reading outside classes;
- 46 hours for tutorial preparation;
- 35 hours preparing for the test and examination.

Group work

Tutorial presentations

Tutorials require you to actively participate and contribute; otherwise, you will not meet the Mandatory Course Requirements (see page 6).

Tutorials 2 to 9 are conducted as follows: Generally groups of two students (depending on the size of the tutorial) will be required to lead the discussion on the topic nominated for the tutorial. Over 8 tutorials each group will have led one tutorial.

At Tutorial 1, tutors will outline their expectations of your presentations and your bullet-point summary solutions (see below). You will also have an opportunity to exchange email addresses, telephone numbers and other contact details with other students in your tutorial for the purpose of planning your presentations.

The success of your tutorial presentations depends on you getting together with the other student(s) in your group before the presentation to plan the content and how the presentation will be run. Hence, it is expected that you will contact each other once the tutorial lists are published on *Blackboard*, using your VUW student email address. If you do not use your VUW email address, you must ensure that you create a diversion within the VUW email system to your preferred email address, e.g. G-Mail, Yahoo, Hotmail, etc.

Your tutorial presentation contributes to 10% of your final mark for the course. In determining the mark for your presentation, your tutor will take into account the accuracy of the material you present, the quality of your presentation (as a group) and your ability to lead and promote discussion in your tutorial. At the conclusion of the tutorial in which you present, your tutor will discuss your presentation and the mark to be awarded.

If you are unhappy with your mark, you must first discuss, and attempt to resolve, the matter with your tutor before the following tutorial. If you cannot reach a satisfactory resolution with your tutor, the tutor will forward the matter to the Course Coordinator for consideration.

If you have a compelling reason for not attending the regular tutorial group in which you are enrolled in a particular week, and you are *not* presenting in that week, you may attend another tutorial group run subject to seating capacity in that group). You must not make a habit of switching tutorials.

Tutorial participation and bullet-point summaries

For *each* tutorial in which you are *not* giving a presentation, you must prepare in electronic form a bullet-point summary solution to the tutorial questions and send it to the assignment folder on *Blackboard* **before 5pm** on **Friday** of the week preceding the tutorial. Late summaries will *not* be accepted. *Blackboard* will accept MS Word and .pdf files. Note that *Blackboard* automatically provides us with the date and time that you submitted your bullet-point summaries and automatically declines submissions after the due time.

Your bullet point summaries must be written in comprehensible and legible English. **They must also be your own work - group submissions are not permitted.** Bullet point summaries that contain evidence of plagiarism will be subject to the University's disciplinary procedures.

To assist your participation in the tutorials, you should retain a copy of your bullet-point summary solution for use at the tutorial.

No suggested solutions to tutorial questions are provided on *Blackboard* or elsewhere, or distributed by tutors. Therefore, you need to attend the tutorials to ensure that you get the full benefit of the discussion and debate on the subject material.

Your tutorial participation and bullet-point summary solutions are part of the *Mandatory Course Requirements* (see below).

Tutorials

There are **nine** tutorial classes scheduled in this course, 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 one week before the relevant tutorial. Written answers to tutorial questions are *not* posted on *Blackboard* or otherwise distributed. Tutorials are scheduled in the following weeks:

<i>Tutorial</i>	<i>Week beginning</i>
Tutorial 1 (AS)	19 March 2012
Tutorial 2 (AS)	26 March 2012
Tutorial 3 (AS)	2 April 2012
Tutorial 4 (AS)	23 April 2012
Tutorial 5 (AS)	7 May 2012
Tutorial 6 (KH)	14 May 2012
Tutorial 7 (KH)	21 May 2012
Tutorial 8 (KH)	28 May 2012
Tutorial 9 (KH)	4 June 2012

Tutorial signup is online (<https://signups.vuw.ac.nz>) and will commence at a time advised in lectures and on Blackboard. Detailed instructions on how to signup are found at the end of this Course Outline. Places in tutorials are allocated on a “first come, first served” basis. **Please note that due to the number of enrolments of this course only 4 tutorial times are offered so please select your time carefully to avoid clashes with other commitments.**

Readings

The following textbook and materials are required for this course:

1. Alley et. al., *New Zealand Taxation 2012: Principles, Cases and Questions*, Thomson Reuters, Wellington, 2011. (The 2011 edition of this text would suffice for this year’s course.)
2. *New Zealand Taxation 2012 Legislation Handbook*, Thomson Reuters, Wellington, 2011. Alternatively you can use the *CCH New Zealand Income Tax Legislation 2011*. (The 2011 editions of these texts would suffice for this year’s course.)
3. Handouts distributed in lectures and/or posted on *Blackboard*.

Note: The above texts will also be used in other TAXN courses this trimester.

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

You are permitted to take the income tax legislation into the mid-trimester test and final examination, and are strongly recommended to do so. If you want to use your legislation in the test and final exam, 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 test and final exam, please note:

1. The tax legislation will be checked at the beginning of the test and exam.
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.

- If you do not have tax legislation to use in the test or exam because your text did not meet the above conditions or you forgot to bring your legislation, you will **not** be able to borrow a replacement copy from the examiners or to share a copy with another student.

The following books provide background reading for this course:

- Arnold, B.J. and M.J. McIntyre, *International Tax Primer*, 2002, Kluwer Law International, 2nd edition. This book is held on closed reserve in the Law Library and available for 3-day issue in the Commerce Library in RWW. (Call mark is K4562 A752 I61)
- Homes, Kevin, *International Tax Policy and Double Tax Treaties: An Introduction to Principles and Application*, IBFD Publications, Amsterdam, 2007. This book is held on closed reserve in the Law Library. (Call mark is K4475.4 H751 I 2007)
- Lang, Michael, *Introduction to the Law of Double Taxation Conventions*, IBFD Publications Amsterdam and Linde-Werlag Vienna, 2010. This book is held on closed reserve in the Law Library and available for 3-day issue in the Commerce Library in RWW. (Call mark is K4475 L271 2010)
- Barry Larking (editor), *International Tax Glossary*, Revised 4th edition, IBFD Publications, Amsterdam, 2001. This book is held in the Commerce Library in RWW as a Reference book. (Call mark is K4459.3 I61 4ed)

Materials and Equipment

Most course materials can be downloaded online from *Blackboard*. The course lecturers do not hold spare copies of any course materials in their offices. If you are having any trouble obtaining course materials, please contact the Course Administrator, who is available Monday to Friday between 8.30am-5.00pm.

Electronic calculators and non-electronic foreign language dictionaries may be used in both the test and final examination. Calculators must be battery powered and silent in operation. Calculators with alphanumeric keyboards and programming functions are not permitted. Mobile phones are prohibited. No electronic device may connect to the Internet. If you are in doubt, check with the Course Coordinator.

Assessment Requirements

To pass this course, you must obtain a weighted average mark of 50% or more from the 2 pieces of assessment in the course as shown below:

	<i>Percentage of final grade</i>	<i>Date</i>
Tutorial Presentation	10%	
Test (75 minutes)	30%	5.30pm Wednesday, 2 May (subject to confirmation)
Examination (2 hours)	60%	During the end of year examination period– actual date and time to be advised during the course.

In addition to obtaining a weighted-average mark of 50% or more across the test and final examination, you must also meet the *Mandatory Course Requirements* (see below). *If you obtain*

*a weighted-average mark of 50% or more but fail to meet the Mandatory Course Requirements, 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 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. 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.

Note: Your assessed work may also be used for quality assurance purposes, such as to assess the level of achievement of learning objectives as required for accreditation and audit purposes. The findings may be used to inform changes aimed at improving the quality of FCA programmes. All material used for such processes will be treated as confidential, and the outcome will not affect your grade for the course.

Examinations

Students who enrol in courses with examinations are obliged to attend an examination at the University at any time during the formal examination period. The final examination for this course will be scheduled at some time during the period from **Friday 15 June – Wednesday 4 July 2012**.

Penalties

Any bullet point summaries submitted by a student in this course that contain evidence of plagiarism will be subject to disciplinary procedures and penalties as outlined in the link on academic integrity provided in this Course Outline.

Mandatory Course Requirements

In addition to the *Assessment Requirements* above, to pass the course you **must**:

- Satisfactorily complete and submit **at least 5** out of the **7** bullet-point summaries;
- Undertake one tutorial presentation as allocated by your tutor;
- Attend and satisfactorily participate in **at least 6** of the **9** tutorials one of which must include Tutorial 1; and
- Sit the Mid-Trimester Test and Final Examination.

Class Representative

A class representative will be elected in the first class, and that person's name and contact details made available to VUWSA, the Course Coordinator and the class. The class representative provides a communication channel to liaise with the Course Coordinator on behalf of students.

Communication of Additional Information

Additional information and announcements will be made from time to time during the course on Blackboard.

For the following important information follow the links provided:

Academic Integrity and Plagiarism

<http://www.victoria.ac.nz/home/study/plagiarism.aspx>

General University Policies and Statutes

Find key dates, explanations of grades and other useful information at www.victoria.ac.nz/home/study

Find out about academic progress and restricted enrolment at <http://www.victoria.ac.nz/home/study/academic-progress.aspx>

The University's statutes and policies are available at www.victoria.ac.nz/home/about/policy, except qualification statutes, which are available via the Calendar webpage at <http://www.victoria.ac.nz/home/study/calendar.aspx> (See Section C).

Further information about the University's academic processes can be found on the website of the Assistant Vice-Chancellor (Academic) at www.victoria.ac.nz/home/about_victoria/avcacademic/default.aspx

AVC (Academic) Website: information including: Conduct, Academic Grievances, Students with Impairments, Student Support

http://www.victoria.ac.nz/home/about_victoria/avcacademic/Publications.aspx

Faculty of Commerce and Administration Offices

<http://www.victoria.ac.nz/fca/studenthelp/>

Manaaki Pihipihinga Programme

<http://www.victoria.ac.nz/tpa/>

TAXN 303 COURSE PROGRAMME

Week	Date	Staff	Tutorial	Topics
1	5 March	AS		Introduction Principles of Residency and Source
2	12 March	AS		Relief of Double Taxation
3	19 March	AS	1 (AS)	Taxation of Non-Residents
4	26 March	AS	2 (AS)	Double Tax Agreements
5	2 April	AS	3 (AS)	
Mid-Trimester Break				
6	23 April	AS	4 (AS)	Double Tax Agreements (contd)
7	30 April	KH		Transfer Pricing
		Mid-Trimester Test -5.30pm Wednesday 2 May		
8	7 May	KH	5 (AS)	Thin Capitalisation
9	14 May	KH	6 (KH)	
10	21 May	KH	7 (KH)	Controlled Foreign Companies (CFCs) and Foreign Investment Funds (FIFs)
11	28 May	KH	8 (KH)	
12	4 June	KH	9 (KH)	

Staff: AS = Associate Professor Andrew Smith; KH = Professor Kevin Holmes

Note: The dates on which the lecture topics will be covered are approximate and may be subject to some variation.

Tutorial Signup Instructions

1. Go to the signup website at: <https://signups.victoria.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.