

School of Accounting and Commercial Law

MMPA 509 TAXATION

Trimester 2 2012

COURSE OUTLINE

| Names and Contact Details | Office | Telephone |
|---|---------------|------------------|
| <i>Course Coordinator & Lecturer</i> Lisa Marriott Lisa.Marriott@vuw.ac.nz Office Hours: TBA | RH 603 | 463 5938 |
| <i>Lecturer</i> Kevin Holmes Kevin.Holmes@vuw.ac.nz Office Hours: TBA | RH 618 | 463 5968 |
| <i>Course Administrator</i> Pinky Shah Pinky.Shah@vuw.ac.nz Office hours: Monday-Friday, 8.30am-5pm | RH 728 | 463 6921 |

Trimester Dates

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|---------------------|--|
| Teaching Period: | Monday 16 July – Friday 19 October |
| Study Period: | Monday 22 October – Thursday 25 October (Monday 22 October is a public holiday, Labour Day) |
| Examination Period: | Friday 26 October – Saturday 17 November (inclusive) |

Withdrawal from Course

1. Your fees will be refunded if you withdraw from this course on or before Friday 27 July 2012.
2. The standard last date for withdrawal from this course is Friday 28 September. 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 for Combined Lecture/Seminar

Fridays: 11.30am-2.20pm

Venue: GBLT4 (Government Buildings, Lecture Theatre 4), Pipitea Campus

There are 12 classes scheduled for the whole course. It is essential that students are able to attend all classes.

Course Content

This course is designed to provide an in-depth examination of key aspects of New Zealand's tax regime from a domestic and international perspective. The impact of taxation on business decisions in New Zealand is also examined.

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

Course Learning Objectives

Students who are successful in the course will be able to:

- (a) Have an understanding of the key parts of New Zealand's public finance and key policy issues;
- (b) Understand and apply the basic principles of income tax law in New Zealand;
- (c) Determine the tax liability for a sole trader, partnership and company;
- (d) Understand how income tax is administered in New Zealand including compliance obligations of taxpayers;
- (e) Understand how taxation impacts on business decision making and how transactions can be arranged legally to minimise a tax liability including ethical issues.
- (f) Have an understanding of the implications of cross-border transactions and investment.

Course Delivery

Each 3 hour class will involve a mixture of lectures, class discussions and problem based assignments. A break will be scheduled approximately midway through each class.

From time to time lecturers may specify required reading prior to a lecture. It is essential that students do this preparatory reading as the lectures will be run at a level that assumes some prior knowledge.

Expected Workload

Students will be expected to spend 15 hours each week on this course including a three hour class each week.

Group Work

While some of the classes will involve group work, none of the assessed pieces of work in this course are based on group work. The Assignment must be sole work of each student. *Any student who submits an Assignment for grading which contains evidence of plagiarism will be subject to the University's disciplinary procedures in addition to the penalties explained later in this Course Outline.*

Readings

The following textbook and materials are required for this course:

1. Alley et. al., *New Zealand Taxation 2012: Principles, Cases and Questions*, Thomson Brookers, Wellington, 2012. (The 2011 editions of this text would suffice for this year's course.)
2. *New Zealand Taxation 2012 Legislation Handbook*, Thomson Brookers, Wellington, 2012. Alternatively you can use the *CCH New Zealand Income Tax Legislation 2012*.
3. 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.

In addition there are the following resources which you may wish to refer to if you wish to find out more about a particular topic:

1. *CCH New Zealand Master Tax Guide 2012*, CCH New Zealand Limited, Auckland 2011. (Law Library, KUQ2832 A13 N532 - some copies on Closed Reserve)
2. *New Zealand Income Tax Law & Practice* in 5 volumes, by David H. Simcock and John F.S. Rooke with the CCH tax editors. Loose-leaf service. (KUQ2832 N532 1986 - on Closed Reserve in the Law Library.)
3. *CCH New Zealand Online Library* -access through MyVictoria (VUW Homepage → Log on to MyVictoria → Library Tab → Library Online Resources → Box 'C' → CCH New Zealand Online Library → Log On → Tax)

Students are permitted to take income tax legislation into the Mid-Trimester Test and Final Test and these assessments will be set assuming that students have access to their income tax legislation. To ensure that you can use your legislation in the Mid-Trimester Test and Final Test, please note the following:

1. Your legislation must not contain any additional writing or notes (other than your name) - the legislation must be "clean" as it was when it was newly printed. It is, however, permissible to emphasis text in your legislation by underlining or using coloured highlighter pens.
2. The indexing of your legislation whether by tabs, the use of "Post-it" notes or any other means is prohibited.
3. Your legislation will be checked at the beginning of the Mid-Trimester Test and Final Test for compliance with these conditions.
4. Any student who does not have tax legislation to use in the tests 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

Apart from the course texts, other handouts will be provided in lecture classes. If you are missing any of these, please contact the Course Administrator Pinky Shah.

Electronic calculators and non-electronic foreign language dictionaries may be used in the Mid-Trimester Test and Final Test. 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.

Assessment Requirements

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|--|-----|------------------------------------|
| Mid-Trimester Test (75 mins; Closed Book*) | 20% | Friday, 24 August 2012 (time TBC) |
| Assignment | 15% | Due: 2pm, Thursday, 4 October 2012 |
| Examination (2 hours; Closed Book*) | 65% | Date and time to be confirmed |

*Students are allowed to take in the tax legislation.

Quality Assurance 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 FCom 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 26 October – Saturday 17 November (inclusive).

Penalties

A penalty will apply to any Assignment submitted late without a special dispensation. The penalty will be 10% of the mark awarded for each day it is late. Any Assignment submitted for grading which contains evidence of plagiarism will receive no credit (i.e. a NIL mark) and the student submitting the work may be subject to further disciplinary action by the University.

Mandatory Course Requirements

In order to pass this course, students must complete and submit for grading the course Assignment and sit *both* the Mid-Trimester Test and Exam.

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 concerning this course will be provided in lectures and posted on Blackboard: <http://blackboard.vuw.ac.nz>. Urgent notices will be circulated by email.

Use of Turnitin

Student work provided for assessment in this course may be checked for academic integrity by the electronic search engine <http://www.turnitin.com>. Turnitin is an on-line plagiarism prevention tool which compares submitted work with a very large database of existing material. At the discretion of the Head of School, handwritten work may be copy-typed by the School and subject to checking by Turnitin. 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.

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 Office

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

Te Putahi Atawhai

Maori and Pacific Mentoring Programme

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

Course Lecture Programme

| Week | Class Date | Staff | Topics | |
|---|--------------|-------|--|---|
| 1 | 20 July | LM | Introduction to Taxation Income Tax Act 2007 and the Core Provisions | |
| 2 | 27 July | LM | Common Law Concepts of Income Income from a Business | |
| 3 | 3 August | LM | Income From Employment Fringe Benefit Tax (FBT) | |
| 4 | 10 August | LM | Personal Property Sales and Land Sales | |
| 5 | 17 August | LM | Deductions | |
| 6 | 24 August | LM | Revision Class and Mid-Trimester Test (time TBC) | |
| Mid-Trimester Break (27 August – 7 September 2012) | | | | |
| 7 | 14 September | KH | Special Deductions (Depreciation and Trading Stock) Taxation of Companies | |
| 8 | 21 September | KH | Taxation of Companies (cont'd) | |
| 9 | 28 September | KH | Taxation of Trusts and Partnerships | Assignment due, Thursday, 4 October, 2pm |
| 10 | 5 October | KH | | |
| 11 | 12 October | KH | Tax Planning and Avoidance | |
| 12 | 19 October | KH | Elements of GST | |

LM = Dr Lisa Marriott

KH = Professor Kevin Holmes

Note: This Lecture Programme is intended to give a general guide as to the timing of the various topics, however, some topics may take more or less time to cover than is indicated above.