

School of Accounting and Commercial Law

TAXN 304 INTERNATIONAL TAXATION II

Trimester 2 2012

COURSE INFORMATION AND OUTLINE

Names and Contact Details

Course Coordinator &

Lecturer: Associate Professor Andrew Smith RH 620 463-6707
Email: Andrew.Smith@vuw.ac.nz
Office hours: TBA

Lecturer: Professor Kevin Holmes RH 623 463-5968
Email: Kevin.Holmes@vuw.ac.nz
Office hours: TBA

Course Administrator: Rebekah Sage RH 708 463-7465
Email: Rebekah.Sage@vuw.ac.nz
(Office hours: Monday-Friday 8.30am-5pm)
Office is closed: 10.30-10.45am and 3.30-3.45pm.)

When emailing either of the course lecturers or the course administrator, please identify yourself as a TAXN 304 student to avoid confusion with other TAXN courses being taught this trimester.

Trimester Dates

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 Courses

Your fees will be refunded if you withdraw from this course on or before **Friday 27 July 2012**.

The last date for withdrawal from this course is **Friday 28 September 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

Tuesdays & Thursdays: 11.30am-12.20pm

Venue: LT 3, Government Buildings, Pipitea Campus

In addition, there are **nine** tutorials of 50 minutes each. Tutorial times and locations will be listed on *Blackboard*. See additional information under *Tutorials* in this Course Information and Outline document.

Course Content

Details of the lecture programme are provided in a table at the end of this document. Some topics may be addressed in a different week from that shown in the table. Further information will be provided by lecturers.

Course Learning Objectives

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

- a. analyse and critique the OECD model tax convention;
- b. identify national strategies for negotiating Double Taxation Treaties;
- c. analyse and apply a Double Taxation Treaty to a complex commercial transaction;
- d. apply the OECD model tax convention in the context of a developing country.

Course Delivery

IMPORTANT NOTICE

Tuition in this course is provided by lectures and tutorials, which form an integral whole. The course assessment is based on the assumption that students have attended all lectures and tutorials. Students who do not attend all lectures and tutorials will be at a disadvantage.

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

Expected Workload

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

- 24 hours in scheduled lectures;
- 8 hours of tutorial classes;
- 36 hours for background reading outside classes;
- 46 hours for tutorial preparation;
- 36 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 2 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 student 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 students 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.

The tutorial presentation contributes to 10% of the final mark for the course. In determining the mark for a presentation, your tutor will take into account the accuracy of the material presented, the quality of the presentation and the ability of you to lead and promote discussion in the tutorial. At the conclusion of the tutorial, the 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, you should discuss it with the Course Coordinator.

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 *by the same tutor* (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. You should submit your summary as either a MS Word or .pdf file - **please do not paste your answers into the dialogue box on Blackboard as there are IT compatibility issues that make it difficult for your tutor to subsequently view it.** The time and date you submitted your bullet-point summary is also recorded by *Blackboard*.

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 hard 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 the submission of bullet-point summaries are part of the *Mandatory Course Requirements* (see page 6).

Readings

The following textbook and materials are required for this course:

1. Kevin Holmes, *International Tax Policy and Double Tax Treaties: An Introduction to Principles and Application*, IBFD Publications, Amsterdam, 2007. This book will be available to purchase directly from the publisher at a special 50% student discount in the first four weeks of the course. Further information is available on Blackboard how to order the book and claim this special discount. Second hand copies may also be available from students who studied TAXN 304 last year. (A copy will also be available in the Commerce Library -the call mark is K4475.4 H751 I 2007.) (It is also possible to buy an on-line copy of the book which can be accessed by up to five users for a period of 1 year for a total price of Euro 95. Refer: www.ibfd.org)
2. *TAXN 304 Selected Double Tax Agreements* publication which can be purchased from the student notes shop on the ground floor of Rutherford House for \$11.10. You will be able to take this publication into the Mid-Trimester Test and Final Exam.
3. Handouts distributed in lectures and/or posted on *Blackboard*.

You will be permitted to take the *TAXN 304 Selected Double Tax Agreements* publication into the Mid-Trimester Test and Final Exam. However, if you wish to do so kindly please note:

1. Your publication will be checked at the beginning of the test and exam.
2. If it contains additional notes of any kind, it will **not** be approved for use in the Test or Exam. Only emphasis marks by a highlighter pen or by underlining are permitted.
3. The indexing of the publication by tabs whether by use of “Post-it” notes or any other means is prohibited.
4. If you do not have your copy to use in the Test or Exam because it did not meet the above conditions or you forgot to bring your copy, you will **not** be able to borrow a replacement copy from the examiners or to share a copy with another student.

The following books are recommended for this course and also are on closed reserve in the Commerce Library:

1. Arnold, B.J. and M.J. McIntyre, *International Tax Primer*, 2002, Kluwer Law International, 2nd edition. (Call mark is K4562 A752 I61)
2. Barry Larking (editor), *International Tax Glossary*, Revised 4th edition, IBFD Publications, Amsterdam, 2001. (Call mark is K4459.3 I61 4ed).
3. Thuronyi, V, *Tax law design and drafting*, London, Kluwer Law International, 2000. (Call mark K4460.4 T235 2000).

4. Rohatgi, R, *Basic international taxation*, London: BNA International, 2005. (Call mark K4475 R737 B 2007).
5. Lang, Michael, *Introduction to the law of double tax conventions*, Wien, Lind Verlag and Amsterdam, The Netherlands, IBFD, 2010. (Call mark K4475 L271 2010).

In addition, journals such as the *New Zealand Journal of Taxation Law and Policy* (Brookers On-Line Library), the *Bulletin for International Taxation* and the *Asia-Pacific Tax Bulletin* regularly publish articles concerning double tax agreements. All of these journals can be accessed on-line through VUW Library's website.

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 Administrator.

Assessment Requirements

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

	<i>Percentage of final grade</i>	<i>Dates</i>
Tutorial presentations	10%	
Test (75 minutes)	25%	Friday, 14 September at 5.30pm
Examination (2 hours)	65%	During the end-year examination period– actual date and time to be advised later during the Course.

The assessment of a student's ability in the test and final examination takes a variety of forms to cater for different aptitudes of different students. The assessment methods may include multiple choice questions, short-answer questions, calculation questions, and essay questions.

In addition to obtaining a weighted-average mark of 50% or more across their tutorial presentation, mid-trimester test and final examination, students must also meet the *Mandatory Course Requirements* (see page 6). *If a course member obtains a weighted-average mark of 50% or more but fails to meet the Mandatory Course Requirements, they 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 Administrator as soon as possible. This should not be delayed until the end of the course or when final results are posted. In case of sickness, it is

essential that students see a registered medical practitioner as soon as possible while they are sick and obtain a medical certificate that certifies that in the opinion of the doctor they are sick and the extent of disability suffered by them during the period of sickness.

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 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 26 October – Saturday 17 November 2012**. The actual date will be advised during the course once it has been finalised by the Faculty.

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 for the weeks in which you are not presenting at the tutorial;
- 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.

Tutorials

There are nine tutorials in the course. It is recommended that you attend all of them as they will provide valuable information and skills that will assist you to obtain a good grade in this course.

Tutorials commence in the third week of the course, i.e. from Monday, 30 July 2012. Tutorial sign-up will be done on-line through *Blackboard* during the first week of the course. The exact time the sign-up will begin will be announced later at class. The instructions for signing up are at the end of this Course Outline. Places in tutorials are allocated on a “first-come, first-served” basis and **cannot** exceed 16 students in each tutorial. Tutorial lists will be posted on *Blackboard* prior to the tutorials starting.

Tutorials take place in the following weeks:

<i>Tutorial No.</i>	<i>Week beginning</i>
Tutorial 1 <i>Mandatory to Attend</i>	30 July 2012
Tutorial 2 (A Smith)	6 August 2012
Tutorial 3 (A Smith)	13 August 2012
Tutorial 4 (A Smith)	20 August 2012
Tutorial 5 (A Smith)	17 September 2012
Tutorial 6 (K Holmes)	24 September 2012
Tutorial 7 (K Holmes)	1 October 2012
Tutorial 8 (K Holmes)	8 October 2012
Tutorial 9 (K Holmes)	15 October 2012

Tutorial questions will be posted on *Blackboard* at least one week before the relevant tutorial.

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

All notices concerning TAXN 304 will be posted on Blackboard.

Use of Turnitin (if applicable)

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/>

TAXN 304 COURSE PROGRAMME

<i>Week</i>	<i>Date</i>	<i>Lecturer</i>	<i>Topics</i>	<i>Tutorial No.</i>
1	16 July	AS	Introduction	--
2	23 July	AS	International tax policy and double taxation	--
3	30 July	AS	DTAs & treaty relief	No. 1
4	6 August	AS	Permanent establishments Business profits	No. 2 (AS)
5	13 August	AS	Associated Enterprises	No. 3 (AS)
6	20 August	AS	Dividends	No. 4 (AS)
Mid-Trimester Break				
7	10 September	KH	Interest	--
Mid-Trimester Test Friday 14 September at 5.30pm (75 mins)				
8	17 September	KH	Royalties	No. 5 (AS)
9	24 September	KH	Immovable property	No. 6 (KH)
10	1 October	KH	Capital gains Personal services	No. 7 (KH)
11	8 October	KH	International tax avoidance	No. 8 (KH)
12	15 October	KH	Administration of DTAs	No. 9 (KH)

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

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

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 the closing date will need to be manually handled by the Course Administrator, Rebekah Sage.