

School of Accounting and Commercial Law

TAXN 303 INTERNATIONAL TAXATION

Trimester 2, 2013

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: TBA

Lecturer:

Assoc Professor David White RH 703 463-5705
Email: david.white@vuw.ac.nz
Office hours: Tuesdays 10.30am - 11.30am; Thursday 9.30am - 10.30am

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 either 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 this trimester.

All email communications from students to VUW staff are expected to be professional and courteous in nature using your name as registered by the University. Emails that are anonymous or written using pseudonyms or false names will not be answered. Similarly emails about the course material from students not enrolled in TAXN 303 will also not be answered.

Trimester Dates

Teaching Period: Monday 15 July – Friday 18 October

Study Period: Monday 21 October – Thursday 24 October

Examination Period: Friday 25 October – Saturday 16 November (inclusive)

Withdrawal from Course

1. Your fees will be refunded if you withdraw from this course on or before Friday 26 July 2013.
2. The standard last date for withdrawal from this course is Friday 27 September 2013. 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 and Thursdays 8.30am - 9.20am

Venue: LT 2, Rutherford House, Pipitea Campus

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.

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 your first tutorial, 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 important that the contact details you give your co-presenter are current and accurate.

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 materials and answers you present;
- the quality of your presentation (as a group); *and*
- your ability to lead and promote discussion in your tutorial.

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 are unable to attend your designated tutorial in a particular week, you can attend another tutorial on a one-off basis provided there is spare seating in the room. Students cannot switch tutorials on a regular basis.

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 the Friday prior to the week of 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 can make it difficult for your tutor to subsequently view it.

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. Tutors have notes to ensure that the presentations and discussion in the tutorials adequately cover the topic.

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)	29 July 2013
Tutorial 2 (AS)	5 August 2013
Tutorial 3 (AS)	12 August 2013

Mid-Trimester Test - Friday 23 August at 5.30pm (TBC)

Mid-Trimester Break

Tutorial 4 (AS)	9 September 2013
Tutorial 5 (AS)	16 September 2013
Tutorial 6 (DW)	23 September 2013
Tutorial 7 (DW)	30 September 2013
Tutorial 8 (DW)	7 October 2013
Tutorial 9 (DW)	14 October 2013

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 a limited number of tutorials will be offered so please select your time carefully to avoid clashes with other commitments.**

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;
- 26 hours for tutorial preparation;

- 55 hours writing the report and preparing for the test and examination.

Prescription

An analysis of current issues in international taxation.

Course Learning Objectives

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

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

Course Content

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

Readings

The following textbook and materials are required for this course:

1. Alley et. al., *New Zealand Taxation 2013: Principles, Cases and Questions*, Thomson Reuters, Wellington, 2013. (The 2012 edition of this text would suffice for this year's course.)
2. *New Zealand Taxation 2013 Legislation Handbook*, Thomson Reuters, Wellington, 2013. Alternatively you can use the *CCH New Zealand Income Tax Legislation 2013*. (The 2012 editions of these texts would suffice for this year's course.)
3. TAXN 303 Double Tax Agreement (DTA) Publication - can be purchased from the student note shop.
4. Handouts distributed in lectures and/or posted on *Blackboard*.

Note: The first and second texts listed above will also be used in other TAXN courses this trimester. They can also be purchased as a set as a slightly discounted price.

You will be permitted to take the income tax legislation and DTA Publication into the mid-trimester test and final examination, and are strongly recommended to do so.

With respect to using these publications in the mid-trimester test and final exam, please note:

1. Both publications will be checked at the beginning of the test and exam.
2. If either of them contain notes of any kind, they cannot be used in the test or exam. Only emphasis marks by a highlighter pen or by underlining are permitted.
3. The indexing of either publication by tabs whether by use of "Post-it" notes or any other means is prohibited.
4. If you do not have either publication 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:

1. 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 K4542 A752 I61)
2. Kevin Holmes, *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 Commerce Library. (Call mark is K4475.4 H751 I 2007)
3. 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

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 on the next page:

	<i>Percentage of final grade</i>	<i>Date</i>
Test (60 minutes)	20%	Friday 23 August at 5.30pm (to be confirmed)
Report	15%	Due Monday 23 September at 5.00pm
Tutorial Presentation	10%	
Examination (2 hours)	55%	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.

Penalties

Reports which are submitted late will have 5% of the mark awarded deducted for each day it is late. Any bullet point summary or report 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.

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 submitted to Turnitin. A copy of submitted materials will be retained 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.

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 following period:

Friday 25 October – Saturday 16 November (inclusive)

Mandatory Course Requirements

In addition to obtaining an overall course mark of 50% or better, students must

- Undertake a tutorial presentation on the assigned date;
- 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;
- Attend and satisfactorily participate in **at least 7** of the **9** tutorials;
- Obtain a mark of at least 50% in either the Mid-Trimester Test or Final Exam.

Note: These mandatory requirements for bullet point summary submission and tutorial attendance have been set to make allowance for students who are affected by illness or unexpected emergencies during the trimester. They should NOT be interpreted as the minimum number necessary or recommended to ensure a pass in the course.

If you cannot complete an assignment or sit a test or examination, refer to:

www.victoria.ac.nz/home/study/exams-and-assessments/aegrotat

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.

Student Feedback

The report is a new part of the assessment scheme of this course. This report has been added due to the Assurance of Learning objectives for the TAXN major which are required as part of our external accreditations. This report has designed set to test skills which cannot be tested in an examination situation.

Student feedback on University courses may be found at:

www.cad.vuw.ac.nz/feedback/feedback_display.php

Link to General Information

For general information about course-related matters, go to:

<http://www.victoria.ac.nz/vbs/studenthelp/general-course-information>

Note to Students

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 academic audit. The findings may be used to inform changes aimed at improving the quality of VBS programmes. All material used for such processes will be treated as confidential, and the outcome will not affect your grade for the course.

TAXN 303 COURSE PROGRAMME

Week	Beginning	Staff	Tutorial	Topics
1	15 July	AS		Introduction Principles of Residency and Source
2	22 July	AS		Relief of Double Taxation
3	29 July	AS	1 (AS)	Taxation of Non-Residents
4	5 August	AS	2 (AS)	Double Tax Agreements
5	12 August	AS	3 (AS)	
6	19 August	AS		
Mid-Trimester Test Friday 23 August at 5.30pm (tbc)				
Mid-Trimester Break				
7	9 September	DW	4 (AS)	Transfer Pricing
8	16 September	DW	5 (AS)	Thin Capitalisation
9	23 September	DW	6 (DW)	
10	30 September	DW	7 (DW)	Controlled Foreign Companies (CFCs)
11	7 October	DW	8 (DW)	Foreign Investment Funds (FIFs)
12	14 October	DW	9 (DW)	

Staff: AS = Associate Professor Andrew Smith; DW = Associate Professor David White.
