

School of Accounting and Commercial Law

MMPA 509 TAXATION

Trimester 3, 2014

COURSE OUTLINE

| Names and Contact Details | Office | Telephone |
|--|---------------|------------------|
| <i>Course Coordinator & Lecturer</i> Dr. Lisa Marriott lisa.marriott@vuw.ac.nz Office Hours: TBA | RH 603 | 463 5938 |
| <i>Lecturer</i> Jim Ryan jim.ryan@vuw.ac.nz Office hours: TBA | RH 631 | 463 6709 |
| <i>Course Administrator</i> Rebekah Sage rebekah.sage@vuw.ac.nz Office hours: Monday-Friday, 8.30 am-5.00 pm | RH 728 | 463 6921 |

Trimester Dates

Monday 17 November 2014 – Thursday 19 February 2015

Withdrawal from Course

1. Your fees will be refunded if you withdraw from this course on or before Friday 28 November 2014.
2. The standard last date for withdrawal from this course is 27 January 2015. 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

Thursdays: 5.40-8.30 pm

Venue: GB LT 3 (Government Buildings Lecture Theatre 3), Pipitea Campus

It is essential that students attend all classes.

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 the lecturer 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.

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.*

Expected Workload

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

- 36 hours in scheduled classes and undertaking tests;
- 36 hours for background reading outside classes;
- 35 hours preparing and writing the Assignment; and
- 43 hours preparing for the Mid-Trimester Test and Final Test.

Prescription

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.

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 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.

Readings

The following textbook and materials are required for this course:

1. Alley et. al., *New Zealand Taxation 2014: Principles, Cases and Questions*, Thomson Brookers, Wellington, 2014. (The 2013 editions of this text would suffice for this year's course.)
2. *New Zealand Taxation 2014 Legislation Handbook*, Thomson Brookers, Wellington, 2014. Alternatively you can use the *CCH New Zealand Income Tax Legislation 2014*.
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 2014*, CCH New Zealand Limited, Auckland 2012. (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 Tests 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 Tests, 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 emphasise 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 Tests 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

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

| Item | Specifications | % | Date | Course Learning Objective Covered |
|--------------------|--------------------------------|-----|-------------------------------------|-----------------------------------|
| Mid-Trimester Test | 75 mins; Closed Book | 20% | Monday 15 December, 5.40pm, GB LT 1 | (a), (b) and (d) |
| Assignment | To be issued during the course | 20% | 2pm, Thursday 22 January | (a), (b) |
| Final Test | 2 hours; Closed Book | 60% | In Class, Thursday 19 February | (c), (e) and (f) |

Penalties

Assignment

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 may be subject to disciplinary action by the University.

Tests

Unjustifiable absences from tests will result in a mark of 'zero' for that test and may result in a student not meeting mandatory course requirements.

Students unable to take scheduled tests due to exceptional circumstances, must complete the 'Consideration of Exceptional Personal Circumstances for Tests Application Form' available on Blackboard. Submit this form to Rebekah Sage as early as possible, preferably before the test date.

Note: The submission of an application does not mean that the test requirement has been changed or waived. Penalties, as detailed above, will apply if it is not successful.

Exceptional Personal Circumstances include an impairment assessed by Disability Services, illness, bereavement, circumstances involving the health or wellbeing of a relative or close friend, compulsory attendance at court, national or international representative commitments, significant cultural commitments, or activities in which the student is representing the University.

*Note: Not being organised or failing to plan ahead are **not** exceptional circumstances.*

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.

Mandatory Course Requirements

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

- complete and submit for grading the course Assignment, *and*
- sit *both* the Mid-Trimester Test and Final Test.

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

Student Feedback

Any feedback is considered and followed up on.

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.

Course Lecture Programme

| Week | Class Date | Topics | Lecturer |
|--|------------|--|----------|
| 1 | 20 Nov | Introduction to Taxation Income Tax Act 2007 and the Core Provisions | LM |
| 2 | 27 Nov | Common Law Concepts of Income Income from a Business | LM |
| 3 | 4 Dec | Income From Employment Fringe Benefit Tax (FBT) | LM |
| 4 | 11 Dec | Personal Property Sales Land Sales | LM |
| 5 | 15 Dec | Mid-Trimester Test, <u>Monday</u> 5.40pm in GB LT 1 75 minutes | |
| | 18 Dec | Deductions | LM |
| Mid-Trimester Break (Monday 22 December 2014 – Sunday 4 January 2015) | | | |
| 6 | 8 Jan | Special Deductions (Depreciation and Trading Stock) | JR |
| 7 | 15 Jan | Taxation of Companies | JR |
| 8 | 22 Jan | Taxation of Companies (<i>continued</i>) Assignment due 22 Jan @ 2pm | JR |
| 9 | 29 Jan | Taxation of Trusts and Partnerships | JR |
| 10 | 5 Feb | Elements of GST | JR |
| 11 | 12 Feb | International Tax Issues Tax Planning and Avoidance | JR |
| 12 | 19 Feb | Final Test, 5.40pm in GB LT 3 120 minutes | |

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.

Staff: LM = Lisa Marriott, JR = Jim Ryan
