

School of Accounting and Commercial Law

TAXN 304 INTERNATIONAL TAXATION 2

Trimester 2, 2015

COURSE OUTLINE

Names and Contact Details

Course Coordinator &

Lecturer: Assoc Professor David White RH 703 463-5705
Email: david.white@vuw.ac.nz
Office hours: To be announced

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

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

Please email all questions to the course administrator in the first instance, identifying in the heading of the email that it is a TAXN 304 inquiry to prevent confusion with emails about other TAXN courses being taught in the same trimester. Where the administrator cannot answer the question, she will bring the e-mail to the attention of the relevant lecturer. Students should not copy the lecturer in to messages to the course administrator.

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.

Trimester Dates

Teaching Period: Monday 13 July – Friday 16 October

Study Period: Monday 19 October – Thursday 22 October

Examination Period: Friday 23 October – Saturday 14 November (inclusive)

Withdrawal from Course

1. Your fees will be refunded if you withdraw from this course on or before Friday 24 July 2015.
2. The standard last date for withdrawal from this course is Friday 25 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 or [online](#).

Class Times and Room Numbers

Monday 3.40 pm – 4.30 pm

Thursday 3.40 pm – 4.30 pm

Government Buildings (GBLT3), Pipitea Campus

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.

There are **9** tutorials of 50 minutes each. Tutorial times and locations are listed on the online *Blackboard* system (<http://blackboard.vuw.ac.nz>). See also under *Tutorials* below.

Group Work

Working in group work is an important component of this course. The content and expectation of group work for tutorials is explained under *Tutorials* below.

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 in preparing for both the test and the examination.

Prescription

An analysis of the current practice and interpretation of double tax agreements.

Course Learning Objectives

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

1. Analyse and critique the OECD model tax convention;
2. Identify national strategies for negotiating Double Taxation Treaties;
3. Analyse and apply a Double Taxation Treaty to a complex commercial transaction;
4. Apply the OECD model tax convention in the context of a developing country.

Course Content

Details of the lecture programme are provided in the table at the end of this Course Outline. Some topics may be addressed in a different week from that shown in the table. The lecturers will provide further information.

Tutorials

There are nine tutorial classes scheduled in this course, all of which you are strongly advised to attend and actively participate in. 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 No:</i>	<i>Week beginning:</i>
Tutorial 1 Mandatory to attend	27 July
Tutorial 2 (AS)	3 August
Tutorial 3 (AS)	10 August
Mid-trimester test	Monday 17 August in class
Tutorial 4 (DW)	7 September
Tutorial 5 (DW)	14 September
Tutorial 6 (DW)	21 September
Tutorial 7 (DW)	28 September
Tutorial 8 (AS)	5 October
Tutorial 9 (AS)	12 October

Tutorial signup will be done online using a new programme *MyAllocator* and will commence at a time advised in lectures and on Blackboard. Detailed instructions on how to use *MyAllocator* will be provided on Blackboard. Places in tutorials are allocated on a “first come, first served” basis. **Please note that due to the number of enrolments in this course only a limited number of tutorials will be offered. Please select your time carefully to avoid clashes with other commitments.**

1. Tutorial presentations

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

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.

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.

For the tutorial in which you are giving a presentation, you must prepare in electronic form your presentation points (in MS Word, Powerpoint, PDF, or an equivalent format that can be printed out) and **e-mail them to the lecturer/tutor** listed against the tutorial in the last column of the table on the last page of this course outline (David White at david.white@vuw.ac.nz or Andrew Smith at andrew.smith@vuw.ac.nz) **before 5pm on the day before your presentation**. 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 quality of preparation and coordination with the other presenter(s) in your group;
- The quality of your presentation both oral and visual; *and*
- The strength of your arguments, your facilitation of discussion with other students and your ability to debate your view convincingly.

At the conclusion of the tutorial in which you present, your tutor will provide feedback on your presentation. Your mark will be uploaded on Blackboard. 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 on a one-off basis provided there is spare seating in the room. Students cannot switch tutorials on a regular basis.

2. 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**. The time and date you admitted your bullet-point summary is also recorded by Blackboard. As the name suggests, they are to be summaries in bullet-point form. Do not write essays or lengthy tracts to answer tutorial questions.

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.

Even when you are not making a formal presentation in the tutorial, are expected to contribute to the discussion, and to answer coherently questions put to you by the presenters. This means that you must be properly prepared for all tutorials that you attend. To assist your participation in the tutorials, you should bring to the tutorial a hard copy of your bullet-point summary solution for use at the tutorial. This will also enable you to make corrections to your bullet point summaries.

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).

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*, Second revised edition IBFD Publications, Amsterdam, 2014. The best option is for students to buy the eBook version of the book from the IBFD at a 50% discounted price of EURO 40 or US\$ 52, enabling students to access the book immediately at the lowest cost. Alternatively, students may order the softcover print book at the higher 50% discounted price of EURO 50 or US\$ 65, including delivery in four to five weeks. Further details will be posted on Blackboard.
2. *New Zealand Taxation 2015 Legislation Handbook*, Thomson Reuters, Wellington, 2015. Alternatively you can use the *CCH New Zealand Income Tax Legislation 2015*. (The 2014 editions of these texts will suffice for this year's course.)
3. TAXN 304 Double Tax Agreement (DTA) Publication - can be purchased from the student note shop.
4. Handouts distributed in lectures and/or posted on *Blackboard*.

You will be permitted to take the income tax legislation listed in dot point 2 above and the DTA Publication listed in dot point 3 above into the mid-trimester test and final examination, and are strongly recommended to do so.

With respect to using this tax legislation listed in dot point 2 and the DTA publication in dot point 3 above 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 contains 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. Elliffe, C., *International and Cross-Border Taxation in New Zealand*, 2015, Thomson Reuters. One copy is held on closed reserve and two copies are available for 3-day issue in the Commerce Library in RWW. (Call mark is HJ3180.5 .E455 2015)
2. Arnold, B.J. and M.J. McIntyre, *International Tax Primer*, 2002, Kluwer Law International, 2nd edition. One copy is available for 3-day issue in the Commerce Library in RWW. (Call mark is K4542 A752 I61 2002)
3. Larking, B., (editor), *International Tax Glossary*, Revised 5th edition, IBFD Publications, Amsterdam, 2005. This book is held in the Commerce Library in RWW as a reference book. (Call mark is K4459.3 I61 5th)
4. Rohatgi, R., *Basic international taxation*, London: BNA International, 2005. One copy is available for 3-day issue in the Commerce Library in RWW. (Call mark K4475 R737 B 2007).

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

The Assessment Handbook will apply to all VUW courses –refer:

<http://www.victoria.ac.nz/documents/policy/staff-policy/assessment-handbook.pdf>.

To pass this course, you must obtain a weighted average mark of 50% or more from the 3 pieces of assessment in the course as shown below:

	<i>Percentage of final grade</i>	<i>Date</i>
Tutorial Presentation	10%	To be allocated by your tutor
Test (50 minutes)	25%	Monday 17 August in class TBC
Examination (2 hours)	65%	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 from these three pieces of assessment, 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

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 general information link provided in this Course Outline (academic integrity and plagiarism).

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 23rd October – Saturday 14th 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.

Any student who is concerned that they have been (or might be) unable to meet any of the MCRs because of exceptional personal circumstances, should contact the course coordinator as soon as possible.

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

This Course Outline, along with other information and materials relating to the course, is available on *Blackboard*. You are expected to have access to *Blackboard* to participate in this course. All announcements and notices are posted in the *Announcements* section of *Blackboard*. Once you have registered for this course you should be able to connect to Blackboard at <http://blackboard.vuw.ac.nz>. If you are not registered, please contact the FCA office on the ground floor of Rutherford House. If you cannot access Blackboard after 48 hours please come to the SACL Enquiries Counter, Level 7 Rutherford House where we can enrol you on Blackboard.

Student feedback

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 304 LECTURE PROGRAMME

Week	Date	Staff	Topics	Tutorial No.
1	13 July	AS	Introduction	
2	20 July	AS	International tax policy and double taxation	
3	27 July	AS	DTAs & treaty relief	Tutorial 1 (AS)
4	3 August	DW	Permanent establishments	Tutorial 2 (AS)
5	10 August	DW	Business profits	Tutorial 3 (AS)
6	17 August	DW		--
Monday 17 August: Mid-trimester test in class to be confirmed				
Mid-Trimester Break (22 August to 6 September)				
7	7 September	DW	Dividends	Tutorial 4 (DW)
8	14 September	DW	Interest	Tutorial 5 (DW)
9	21 September	DW	Royalties	Tutorial 6 (DW)
10	28 September	AS	Immovable property Capital gains	Tutorial 7 (DW)
11	5 October	AS	Personal services	Tutorial 8 (AS)
12	12 October	AS	Tax avoidance & administration	Tutorial 9 (AS)

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

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