



Course Outline

BUSACT 703: Taxation for Business (15 Points)

Quarter 3 2017 (1176)

Course Prescription

Provides an overview of the Income Tax Act and the Goods and Services Tax Act and how they are relevant to taxpayers. Topics covered include the nature of income, taxation of common types of income, the deduction and prohibition of various types of expenses, tax accounting issues, provisional tax, PAYE system, tax returns, and an introduction to GST.

Prerequisite: BUSMGT 731-734

Goals of the Course

Topics covered include the nature and various types of income, the deduction and prohibition of various types of expenses, tax accounting issues, provisional tax, and the correct treatment of taxable supplies and input tax under the Goods and Services Tax regime.

This course provides students with the knowledge and skills necessary to prepare a New Zealand tax return for both Income Tax and Goods and Services Tax (GST). This requires students to become familiar with and apply the law as it is laid down in statute and decided cases.

Learning Outcomes

By the end of this course, it is expected that students will be able to:

1. Carry out independent legal research into the relevant tax rules that apply to a fact pattern.
2. Critically evaluate legal aspects of the New Zealand tax system.
3. Analyse a fact pattern and apply legal rules to determine the net GST payable/refundable for a taxpayer.
4. Analyse a fact pattern and apply legal rules to determine the taxable income and income tax payable of a taxpayer.
5. Describe and apply the rules relating to the pay as you earn (PAYE) and the self-assessment system.

Content Outline

Week Number	Week Begins	Monday 12-13.30 (Case Room 4, Lvl 0)	Wednesday 9am- 11am Room 321	Friday 11.00 13.00 Room 215	Tests and Assessments
Week 1	19 June 2017	Introduction to the New Zealand Tax System	Tutorials	TBL: Research Methods*	n/a
		Taxation of Income I:			
Week 2	26 June 2017	Introduction to Income Taxation and Income and Capital	Tutorials	TBL session	n/a
		Taxation of Income II: Business income	Tutorials	TBL session:	n/a
Week 4	10 July 2017	Taxation of Income: Employment Income	Tutorials	TBL session	n/a
		Taxation of Income III: Deductions	Tutorials	TBL session	Mid-term Test. Friday 21 July 6-8pm
Week 6	24 July 2017	Taxation of Income IV: Timing	Tutorials	TBL session	n/a
Week 7	31 July 2017	Taxation of Income V: Companies	Tutorials	TBL Session:	Written assignment (25%) due Friday 4 August
Week 8	7 August 2017	Taxation of Income VI: Income Tax Returns	Tutorials	TBL session	n/a
				TBL session	
Week 9	14 August 2017	Goods and Services Tax	Tutorials		n/a
				Practice Test	
Week 10	21 August 2017	Feedback on Practice Test	Revision Practice tutorials		Final Test (50%) Wednesday 23 August 2017 6-9 pm

- The first week's TBL session will take place in the Engineering Building in **room 402, Level 2, 20 Symonds Street. Room code: Library CTR, 402-208**. All other TBL sessions will take place in room 215 in the Business School.

Learning and Teaching

The class will meet for **5.5 hours each week**: 1.5 hours for the plenary lecture, 2 hours for the tutorial, and 2 hours for the TBL. The lecturer will use the plenary session to engage the class in a discussion of the important concepts for the week, based on the required readings. Students should come to class having already read the readings in order to participate in the plenary discussions. The tutorial session will clarify the concepts and use short activities and problems to explore them in greater depth in preparation for the TBL session. The TBL session will focus on group activities which apply the concepts to cases studies and real-world problems in order to fortify students' understanding through applied learning. However, the TBL session may also be used to introduce new material and this will include an opportunity to work through problem questions related to the topic.

In addition to attending classes, students should expect to spend another **ten hours** per week on activities related to this course. These activities include carrying out the required readings (**before** the plenary session), solving recommended practice problems, working on assignments, taking quizzes on Canvas and preparing for tests. It is of the utmost importance that students dedicate the allocated time to self-study. In terms of reading there is often more reading in the early weeks of the course and this allows more time for assignment and test preparation as the courses progresses.

Teaching Staff

Lecturer: Huigenia Ostik

Email: h.ostik@auckland.ac.nz

Office hours: Monday 10 am – 12 pm in room 674.

Tutor: Christina Zhu

Email: christina.zhu@auckland.ac.nz

Office hours: Wednesday 11 am – 1pm in room 233.

*****Before attending office hours you are advised to check the announcements page on Canvas to see if office hours - for either Huigenia or Christina - have changed time or location*****

Learning Resources

- Required textbook: S. Barkoczy, "Foundations of New Zealand Taxation Law", 2017, CCH.**
- Required legislation.**
- Both the legislation and textbook were published earlier this year and so will be the most current versions available.
- All other course readings are available via the Reading Lists page of this course website.

**** Required reading materials are listed below with purchase price and available discounts:**

Student Tax Pack Option (pack price is 15% cheaper than purchasing the texts separately)

	Pack ordering:	Code	for	Price excl gst	Price inc gst
New Zealand Tax Pack 2 comprises:	1663Z			\$ 158.10	\$ 181.20

* Foundations of NZ Taxation Law - 2017

* New Zealand Tax Legislation for Students - 2017. Two Volume Set compiled especially for students.

Student Text details for purchasing the titles **separately** as opposed to ISBN the **Special Student Pack** above

			Price excl gst	Price inc gst
Foundations of NZ Taxation Law - 2017	9781775471868	\$	88.00	\$ 101.20
New Zealand Tax Legislation for Students - 2017.	9781775472049	\$	98.00	\$ 112.70
Two Volume Set compiled especially for students.				

Assessment Schedule for BUSACT 703

Mid-Term Test. The mid-term test is worth 25% of the total marks for the course. It will last for **two hours, plus 10 minutes reading time**. It is scheduled for Week 5 from

6-8pm on Friday 21 July 2017.

1. 25%

It will be an **open book** test is subject to the **plagiarism policy** of the University. It will consist of a combination of **short answer questions, longer answer questions and basic income tax calculations** (up the taxable income stage) that relate to materials covered during weeks 1-5 inclusive.

2. Written Assignment: The written assignment is an individual assignment. It is worth 25% of the total marks for the course. The length of the written assignment **25%** is to be approximately **2,500 words**.

The submission deadline is **on Friday 4 August** (Week Seven). The question has been designed to test your ability to write logically and to engage in an analysis of how to both explain clearly and critically evaluate an area of New Zealand taxation law by analysing a combination of primary legislation, Inland Revenue Guidance, commentary and case law.

The question that will form the basis of your written assignment is as follows (in bold):

Write a report that includes the following information related to double taxation agreements (DTAs):

- (a) A brief overview of the history and purpose(s) of DTAs;**
- (b) Evidence of why New Zealand enters into DTAs;**
- (c) A brief overview of the structure of New Zealand's DTAs; and**
- (d) Provide at least 2 example from New Zealand's DTA network that illustrate how the agreement can modify a taxpayer's position under the Income Tax Act 2007 and discuss how the extent to which this modification is consistent with the stated purposes of the DTA.**

****Marks will be awarded for analysis, content, form, clarity of expression, and appropriate referencing (including references to legislation, Inland Revenue commentary, case law and any related literature on the topic (s) considered in the report).****

Final Test. The final test is worth **50%** of the total marks for the course. It will be **3 hours long, plus 15 minutes reading time**. It will be **open book** and is subject to the **plagiarism policy** of the University. Students may therefore take any written they like into the exam, including their notes, the tax legislation and any other materials. This final test takes place from **6-9 pm on Wednesday 23 August 2017** in **Week 10**.

The final test will be structured such that you will be required to analyse two separate fact patterns and:

3. (i) **Prepare an income tax return and write a report on your findings; and** **50%**
- (ii) **Prepare a report and calculate net GST payable.**

The skills that you will need to prepare the income tax return and accompanying report will be acquired over the majority of the whole course. This will require students to identify (and appropriately reference):

- What items of income to include (or omit).
- What expenditure to include (or omit).
- When (i.e. in which income year) those items of income and deductible expenditure must be included (if at all).
- How the resulting net income is treated for tax purposes.

- The resulting rates of tax payable during and at the end of the income year.
- Payments dates and calculation of provisional tax.
- Clear explanations justifying the inclusions / exclusions from the calculation.
- Clear setting out of report, calculations and explanations.

NB: If you are unable for any reason to sit the test, you should advise a lecturer by email as soon as possible. You must also lodge a Test Consideration Form with Student Registry within 7 days of the test. A doctor's certificate will be required for absences due to illness.

Inclusive Learning

Students are urged to privately discuss any impairment-related requirements in person and/or in written form with the course convenor/lecturer and/or tutor.

Teaching and Learning

Active participation in the various sessions is essential. Essential reading for all topics is contained within this booklet. The following will be made available on Canvas during the course:

- lecture slides and recordings (where possible) after the lecture has been delivered
- tutorial questions a week in advance of the relevant
- team-based learning exercises (availability will vary according to the nature of the session)
- additional reading material if relevant

There will be a one and a half hour **lecture** each week on Mondays starting at 12.00. The lectures will be covering the material that will then be tested more thoroughly during the tutorials, **attendance** at which is **compulsory**. The questions for the tutorials will be made available on Canvas one week before the relevant tutorial. Students will be expected to **prepare in advance** for the **tutorials and participate in tutorials**. There will be one tutorial session: 9.00 – 11.00 on Wednesdays from Weeks One to Ten.

Preparing for lectures and tutorials well in advance will help you to follow and understand the course topic and will hopefully prompt you to ask more forensic questions of the lecturer.

The team-based learning (**TBL**) sessions will seek to bring together the knowledge you have acquired during the lectures and tutorials in a practical way. Note that there is a lot of content to cover, so there may not be TBL sessions every week. This means that some TBL sessions may involve the introduction of new material and the opportunity to then work through this new material in groups.

Further reading materials are recommended reading for those who are interested. This material has been selected to help students contextualise and deepen the knowledge that they are expected to acquire during the course. Most, but not all, of this material will be provided on Canvas under "Reading Lists".

Student Feedback

We regularly seek feedback from students in order to shape and improve this and all courses on the programme. Students will be asked to complete formative fast feedback early in the quarter, and course and teaching evaluations at the end of the course. In addition, each course will seek volunteers to serve as class reps.

In the event of an unexpected disruption

We undertake to maintain the continuity and standard of teaching and learning in all your courses throughout the year. If there are unexpected disruptions the University has contingency plans to ensure that access to your course continues and your assessment is fair, and not compromised. Some adjustments may need to be made in emergencies. In the event of a disruption, the University and your course coordinators will make every effort to provide you with up to date information via Canvas and the university web site.

Cheating and Plagiarism

The University of Auckland regards cheating as a serious academic offence.

Plagiarism is a form of cheating. Plagiarism. **In all forms of assessments** i.e. tests and coursework assignments submitted for marking, plagiarism can occur if you use the work and ideas of others without explicit acknowledgment. Work can be plagiarised from many sources, including books, journal articles, the internet, and other students' assignments. A student's assessed work may be reviewed against electronic source material using computerised detection mechanisms. Upon reasonable request, students may be required to provide an electronic version of their work for computerised review.

The way of avoiding plagiarism is to reference your work properly. If you are in doubt about how to reference properly, ask someone – your lecturers, tutors and the Student Learning Centre are good places to start. Please refer to the following website for further information about academic referencing: www.cite.auckland.ac.nz/

The document *Guidelines: Conduct of Coursework* provides further advice on how to avoid plagiarism. It can be found at: www.business.auckland.ac.nz/conductcoursework

The penalties for plagiarism can be severe, including losing some or all of the marks for the assignment. Major offences can be sent to the University's Discipline Committee, where further penalties can be imposed.

Third Party Assistance with Coursework

While you are encouraged to improve your coursework writing skills and are permitted to seek assistance from third parties, you are advised that there are important limits on the amount and type of assistance that can be given to you in completing your assignments, including group work. Third parties include fellow students, reading groups, friends, parents, SLC tutors, and paid-for professional editing services.

There is a set of guidelines which clearly indicates the type of advice and assistance that can be given. If you are seeking the assistance of any third party you are required to give a copy of the guidelines to the person prior to them helping or assisting you.

You are also required to only seek and accept help using a printed version of your work, not an electronic version. You must keep a copy of this printed version and produce it if required.

A copy of the guidelines is available

at: www.business.auckland.ac.nz/thirdpartyassistance

Help with Academic Referencing

Acknowledgement of sources is an important aspect of academic writing. The University's Referen@ite website www.cite.auckland.ac.nz provides students with a one-stop online resource for academic referencing needs. Referen@ite explains the essentials of referencing and how to avoid plagiarism. It also includes practical tools to help students reference correctly, use references effectively in writing, and gives fast access to some major reference formats with examples.

Assignment Submission

All assignments for this course should be submitted through the Assignments section of these course webpages, after going through the standard review process. This process is as follows:

1. Assignment draft is run through Grammarly.
2. Grammarly report and assignment draft are submitted to the assignment draft point for language, grammar and structure review and feedback by the Business Communication team, and for originality checking. This draft point will close no later than 24 hours before the assignment submission deadline.
3. The final assignment, which incorporates the Business Communication team feedback on language and originality, is submitted to the final submission point on Canvas.

The draft and final submission points can be found in the Assignments section of these webpages.

Late Submissions and Special Consideration

For any queries about the programme policies around the late submission of assignments, or for special consideration or aegrotat processes, please contact the Programme Manager.