



BUSL320

Revenue Law

S2 Day 2014

Dept of Accounting & Corporate Governance

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Disclaimer

Macquarie University has taken all reasonable measures to ensure the information in this publication is accurate and up-to-date. However, the information may change or become out-dated as a result of change in University policies, procedures or rules. The University reserves the right to make changes to any information in this publication without notice. Users of this publication are advised to check the website version of this publication [or the relevant faculty or department] before acting on any information in this publication.

General Information

Unit convenor and teaching staff

Unit Convenor

Hope Ashiabor

hope.ashiabor@mq.edu.au

Contact via hope.ashiabor@mq.edu.au

E4A 311

Wednesdays, 2:00 - 3:00 pm

Credit points

3

Prerequisites

BUSL301 or 12cp in LAW units at 200 level

Corequisites

Co-badged status

Unit description

This unit provides an introduction to the tax framework operating in Australia. It looks at the regulatory environment and the impact of the conceptual framework on key areas of taxation including: income tax; goods and services tax; and fringe benefits tax. This unit enhances the ability of students to recognise, describe and analyse taxation issues and concepts to problems encountered in a contemporary setting.

Important Academic Dates

Information about important academic dates including deadlines for withdrawing from units are available at <https://www.mq.edu.au/study/calendar-of-dates>

Learning Outcomes

On successful completion of this unit, you will be able to:

Demonstrate a sound knowledge of the conceptual framework of the principal rules that relate to taxation in Australia

Identify tax issues and be able to apply the Income Tax, Fringe Benefits Tax, GST and the Taxation Administration Act provisions to simulated real life situations for the purposes of giving professional advice;

Develop a suitable set of tax management strategies for individuals and business at various stages;

Use, present and evaluate numerical or statistical information related to taxation;
Work collaboratively to solve legal problems related to taxation; and
Undertake independent research on taxation issues through using electronic information retrieval systems.

Assessment Tasks

Name	Weighting	Due
<u>Class Test</u>	25%	Week 7
<u>Online Quiz</u>	10%	End of Week 3
<u>Assessed coursework</u>	10%	Weekly
<u>Final Examination</u>	55%	University Examination Period

Class Test

Due: **Week 7**

Weighting: **25%**

Submission: Answer scripts will be collected in the lecture room at the end of the test

Penalties: Students who are unable to sit for the class test will be awarded a mark of '0' for the task, except for cases in which an application for disruption to studies is made and approved.

On successful completion you will be able to:

- Demonstrate a sound knowledge of the conceptual framework of the principal rules that relate to taxation in Australia
- Identify tax issues and be able to apply the Income Tax, Fringe Benefits Tax, GST and the Taxation Administration Act provisions to simulated real life situations for the purposes of giving professional advice;
- Use, present and evaluate numerical or statistical information related to taxation;
- Undertake independent research on taxation issues through using electronic information retrieval systems.

Online Quiz

Due: **End of Week 3**

Weighting: **10%**

Submission: Due online end of Week 3. To be completed via iLearn.

Extension: No extensions will be granted.

Penalties: Students who have not submitted the task prior to the deadline will be awarded a mark of '0' for the task, except for cases in which an application for disruption to studies is made and approved.

On successful completion you will be able to:

- Demonstrate a sound knowledge of the conceptual framework of the principal rules that relate to taxation in Australia
- Identify tax issues and be able to apply the Income Tax, Fringe Benefits Tax, GST and the Taxation Administration Act provisions to simulated real life situations for the purposes of giving professional advice;
- Develop a suitable set of tax management strategies for individuals and business at various stages;
- Use, present and evaluate numerical or statistical information related to taxation;
- Undertake independent research on taxation issues through using electronic information retrieval systems.

Assessed coursework

Due: **Weekly**

Weighting: **10%**

Submission: Written responses collected in class weekly. No extensions will be granted. Students who have not submitted the written responses prior to the deadline will be awarded a mark of zero for the task, except for cases in which an application for disruption to studies is made and approved.

Your best 10 written submissions will be taken into account, and will be weighted at 1/2 mark for each submitted task. (Total, 5%).

The remaining 5% will be allocated for satisfactory presentations/group work. A Presentation Feedback form will be used in awarding each component of the presentations/group work.

On successful completion you will be able to:

- Demonstrate a sound knowledge of the conceptual framework of the principal rules that relate to taxation in Australia
- Identify tax issues and be able to apply the Income Tax, Fringe Benefits Tax, GST and the Taxation Administration Act provisions to simulated real life situations for the purposes of giving professional advice;
- Use, present and evaluate numerical or statistical information related to taxation;
- Work collaboratively to solve legal problems related to taxation; and
- Undertake independent research on taxation issues through using electronic information

retrieval systems.

Final Examination

Due: **University Examination Period**

Weighting: **55%**

Examination conditions: Formal Examination Conditions Apply

You must pass the final exam to pass BUSL320

Supplementary Examinations:

1. **If a supplementary examination is granted as a result of the Disruption to studies process the examination will be scheduled as per the Supplementary Examination timetable of the Faculty. Please note that the supplementary examination will be of a similar format to the final examination.**
2. **There is no provision for a Deferred Supplementary examination in this unit.**

On successful completion you will be able to:

- Demonstrate a sound knowledge of the conceptual framework of the principal rules that relate to taxation in Australia
- Identify tax issues and be able to apply the Income Tax, Fringe Benefits Tax, GST and the Taxation Administration Act provisions to simulated real life situations for the purposes of giving professional advice;
- Develop a suitable set of tax management strategies for individuals and business at various stages;
- Use, present and evaluate numerical or statistical information related to taxation;
- Undertake independent research on taxation issues through using electronic information retrieval systems.

Delivery and Resources

Classes

- There are 3 hours face-to-face teaching per week in this unit - consisting of 1 x 2 hour lecture and 1 x 1 hour tutorial.
- The timetable for classes can be found on the University web site at:
<http://www.timetables.mq.edu.au/>
- Students can only change their allocated lecture or tutorial class in the first three (3) weeks through the e-Student system and only when there is a vacancy in that class or

lecture.

- If a student changes classes in the first three weeks, it is their responsibility to inform both their old tutor and their new tutor. Failure to inform tutors about the change in class allocation may result in a student not obtaining all the class marks for which all students are eligible.
- You must attend your official tutorial class. Tutors will keep attendance records and you can only attend class or sit for the class presentation in your registered tutorial. Please ensure that you know your tutor's name and your tutorial number as this information is required to be noted on your weekly written presentation report is handed in at tutorials.
- Participation: Students are expected to attend and participate in at least 10 out of 12 tutorial classes during the semester. Failure to do so will result in 0.5 marks per missed tutorial being deducted from the overall tutorial participation mark that would have been allocated to you.
- In cases where classes have been missed because of illness or misadventure, it is up to the student to provide relevant documentation - (such as medical certificates or other reports) - explaining the reasons for their absence. The documentation must be lodged with BESS in accordance with the disruption to studies procedure.
- Students are expected to arrive on time and not to leave until the class ends.
- If you have a recurring problem that makes you late, or forces you to leave early, have the courtesy to discuss this with your lecturer/tutor.
- Students who disturb or disrupt in lectures and tutorial class will be asked to leave.

Prizes

- The Australian Taxation Office Prize for Revenue Law and the CCH Prize for Revenue Law are awarded for proficiency in this unit in the first and second semester respectively.
- These prizes are offered in alternative semesters and are open to all students enrolled in the unit in the relevant semester.
- http://www.businessandconomics.mq.edu.au/undergraduate_degrees/prizes_scholarships

Required and Recommended Texts and/or Materials

There are a number of general texts covering the content of this unit. Students are advised to acquire each of the texts appearing under the heading "PRESCRIBED TEXTS".

1. PRESCRIBED TEXTS (Students should have access to these books AT ALL TIMES).

1. **Textbook:** Woellner, Barkoczy, Murphy, Evans and Pinto, Australian Taxation Law (24th edn, CCH 2014) - cited throughout this Unit Guide as Woellner'

2. **Workbook:** LJ Nethercott, G Richardson and K Devos, Australian Taxation Study Manual, Questions and Suggested Solutions (24th edn, CCH, 2014)
3. **Casebook:** Kreyer, Australian Taxation Law Cases (Thomson Reuters, 2014)
4. **Legislation:** Barkoczy, 2014 Core Tax Legislation and Study Guide, (17th edition, CCH 2014)

2. RECOMMENDED TEXTBOOKS

The acquisitions of the following are OPTIONAL. Students should consult the lecturer before making a purchase from books in this category.

Any of the following books may also be of use:

- Sadiq (Gen Ed), Coleman, Hanegbi, Hart, Jogarajan, Kreyer, McLaren, Obst, Ting, Principles of Taxation Law (Thomson Reuters, 2014).
- S Barkoczy, Australian Tax Casebook (11th edn, CCH, 2012).
- P Kenny, Australian Tax 2014 (LexisNexis Butterworths).
- Coleman, Hart, Bondfield, McKerchar, McLaren, Sadiq and Ting, Australian Tax Analysis: Cases, Commentary, Commercial Applications, and Questions (9th edn – Thomson Reuters, 2013).
- Fisher and Hodgson, Tax Questions & Answers 2014 (Thomson Reuters, 2014).

Note: It is pointless having an out of date edition of the textbook.

3. REFERENCE MATERIALS

While references to the prescribed weekly readings for this Unit are set from standard textbooks on taxation, references will also be made during the lectures to reported cases, rulings and other pronouncements issued by the Australian Taxation Office.

(a) Commentaries: Both CCH and Thomson Reuters provide an on-line service covering a commentary on the relevant legislation, rulings and reports and other pronouncements of the Australian Taxation Office. These on-line tax services are also available in multi-volume loose-leaf formats.

The on-line service of CCH can be accessed from the University Library's database.

(b) Useful Internet sites: Internet resources are a very valuable source of information relating to current developments on taxation issues. Some useful sites include:

(i) ATO website: The Australian Taxation Office Internet site www.ato.gov.au. This site offers access to:

- all ATO rulings and other pronouncements
- current ATO publications
- legislation
- Australian and selected overseas tax case law

- all ATO forms

(ii) Access to other internet sites which are relevant to tax issues can be located at:

- Australian Treasury: <http://www.treasury.gov.au>. This site contains Treasury press releases and consultation documents.
- CPA Australia: <http://www.cpaaustralia.com.au>. This site contains relevant information including submissions canvassing tax reform.
- Institute of Chartered Accountants in Australia: <http://www.icaa.org.au>. This site contains relevant information including submissions canvassing tax reform.
- Deloitte: <http://www.deloitte.com.au> Click on “tax central” to access information on proposed tax reforms.
- Ernst & Young: <http://www.ey.com/global/gcr.nsf/austaralia/home>. Good for keeping up to date on tax reforms.
- KPMG: <http://www.kpmg.com.au>. Very useful, especially for its “Daily Tax News”.
- Board of Taxation: <http://www.taxboard.gov.au>. Contains information on proposed tax changes.

(iii) Cases, rulings, and legislation can also be accessed from the following sites:

- Cases: Scaleplus site <http://scaleplus.law.gov.au>
- Cases: Australian Legal Information Institute site <http://www.austlii.edu.au>
- Cases and Taxation rulings: Australian Taxation Office; <http://www.ato.gov.au>

(c) Professional Reference Texts

- 2014 Master Tax Guide (CCH)
- 2014 Australian Tax Handbook (Thomson Reuters)
- 2014 Australian Master GST Guide (CCH)
- 2014 Australian GST Handbook (Thomson Reuters)

(d) Journals

Articles in legal and accounting journals are invaluable aids in keeping up to date with developments in tax law and practice. These include:

- Australian Tax Review
- Australian Tax Forum, a journal of taxation policy, law and reform
- Taxation in Australia
- The Tax Specialist
- The Australian Accountant
- The Journal of Australian Taxation

- The Chartered Accountant in Australia
- The Australian Law Journal, it contains a section called "Revenue Notes" which features articles on important decisions.

(e) Update on Tax Developments

For a weekly update on tax developments, students are advised to consult either CCH Tax Week or the Thomson Reuters Weekly Tax Bulletin; the former can be accessed from the University Library's database.

Technology Used and Required

Students will need access to the internet as lecture handouts and notices will be available from the unit's web page.

Unit Web Page

The BUSL320 homepage is at: ilearn.mq.edu.au You can directly access the Unit Guide, current lecture outlines, Echo recordings, announcements related to the Unit, library and other useful websites via the unit's iLearn site.

Teaching and Learning Strategy

Lectures and Tutorials

The main means of presentation is by way of 13 two-hour lectures and 12 weekly tutorials of one hour duration. Lectures cover the basic material as outlined in the listed topics, as well as noting where each topic fits into the overall framework of the tax regime.

Each week's lecture outlines (PowerPoint slides) will be posted on iLearn prior to the formal lecture. They are not intended to be a substitute for lecture attendance. They cannot be relied upon to the exclusion of the allocated reading tasks for each week. You are expected to prepare your own notes from the prescribed reading set out in this Unit Guide to supplement the material set out in the lecture outlines.

The Lectures will also be recorded on Echo on a weekly basis.

Tutorial questions have been designed to provide a practical application of the principles discussed in lectures. Tutorials will involve an analysis and discussion of preset questions based on the previous week's lecture. They therefore complement and consolidate the topics covered in lectures. It is essential that adequate preparation be undertaken BEFORE each tutorial in order for the full benefit to be gained. Students will also be expected to participate in tutorials through contributing to class discussions and showing an interest in other learning activities conducted by the tutor.

Unit Schedule

Week	Topic
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<p>1</p>	<p><u>Operating Framework of the Australian Tax System:</u></p> <ul style="list-style-type: none"> • Constitutional basis of taxation - relationship between the Commonwealth and the States; • Sources of income tax law; • Structure of the income tax legislation and how the parts fit together <p><u>Tax Administration:</u></p> <ul style="list-style-type: none"> • operation and enforcement of the Act and ancillary legislation • the assessment process; appeal procedures; • rights and remedies of the Commissioner and taxpayer; • tax agents.
<p>2</p>	<p><u>The concept of income:</u></p> <ul style="list-style-type: none"> • distinction between "income" and "capital"; • exempt income; <p><u>Calculation of Tax Payable:</u></p> <ul style="list-style-type: none"> • Formulas, Rates & Offsets <p><u>Tax collection mechanisms</u></p>
<p>3</p>	<p><u>The Income Concept: Incidental Issues</u></p> <ul style="list-style-type: none"> • residence and source; • derivation of income <p>Online Quiz - due end of Week 3.</p>
<p>4</p>	<p><u>Assessable Income:</u></p> <ul style="list-style-type: none"> • Income according to ordinary concepts • statutory extensions to the concept of income
<p>5</p>	<p><u>Assessable Income:</u></p> <ul style="list-style-type: none"> • Income according to ordinary concepts • statutory extensions to the concept of income
<p>6</p>	<p><u>Statutory Income:</u></p> <ul style="list-style-type: none"> • Taxation of capital gains and losses; • calculation of capital gains and losses; • inter-relationship with the income taxing provisions • Revision: How Topics 1-6 fit together
<p>7</p>	<p><u>Allowable Deductions I</u></p> <ul style="list-style-type: none"> • The general provision s.8-1 • Substantiation of expenses <p><u>Important Notice:</u> The class test will be conducted in class in the first hour of the week 7 Lecture (17 September and 18 September). There will be an overview lecture covering the salient points of this week's topic conducted in the second hour. An audio recording of the full 2-hour lecture on the topic will be posted on iLecture</p>
<p></p>	<p>Mid-Session Break</p>

8	<p><u>Allowable Deductions II</u></p> <ul style="list-style-type: none"> • Specific provisions relating to deductions
9	<p><u>Goods and Services Tax</u></p>
10	<p><u>Taxation of Partnerships, Trust Estates and Beneficiaries; minors</u></p>
11	<p><u>Companies:</u></p> <ul style="list-style-type: none"> • Issues related to corporate taxation • Dividends and shares, imputation system
12	<p><u>Fringe Benefits Tax</u></p> <ul style="list-style-type: none"> • The tax and its applications in practice
13	<p><u>Anti-Avoidance Legislation</u></p> <ul style="list-style-type: none"> • Alienation of Personal Services Income; • Basic techniques of tax planning; • Ethical issues in tax practice; • Revision
<p>FINAL EXAMINATION</p>	
<p>SUPPLEMENTARY EXAM PERIOD: Mid-Late December 2014 (TBC)</p>	

Policies and Procedures

Macquarie University policies and procedures are accessible from [Policy Central](#). Students should be aware of the following policies in particular with regard to Learning and Teaching:

Academic Honesty Policy http://mq.edu.au/policy/docs/academic_honesty/policy.html

Assessment Policy <http://mq.edu.au/policy/docs/assessment/policy.html>

Grading Policy <http://mq.edu.au/policy/docs/grading/policy.html>

Grade Appeal Policy <http://mq.edu.au/policy/docs/gradeappeal/policy.html>

Grievance Management Policy http://mq.edu.au/policy/docs/grievance_management/policy.html

Disruption to Studies Policy http://www.mq.edu.au/policy/docs/disruption_studies/policy.html *The Disruption to Studies Policy is effective from March 3 2014 and replaces the Special Consideration Policy.*

In addition, a number of other policies can be found in the [Learning and Teaching Category](#) of Policy Central.

Student Code of Conduct

Macquarie University students have a responsibility to be familiar with the Student Code of Conduct: https://students.mq.edu.au/support/student_conduct/

Student Support

Macquarie University provides a range of support services for students. For details, visit <http://students.mq.edu.au/support/>

Learning Skills

Learning Skills (mq.edu.au/learningskills) provides academic writing resources and study strategies to improve your marks and take control of your study.

- [Workshops](#)
- [StudyWise](#)
- [Academic Integrity Module for Students](#)
- [Ask a Learning Adviser](#)

Student Services and Support

Students with a disability are encouraged to contact the [Disability Service](#) who can provide appropriate help with any issues that arise during their studies.

Student Enquiries

For all student enquiries, visit Student Connect at ask.mq.edu.au

IT Help

For help with University computer systems and technology, visit <http://informatics.mq.edu.au/help/>.

When using the University's IT, you must adhere to the [Acceptable Use Policy](#). The policy applies to all who connect to the MQ network including students.

Graduate Capabilities

Capable of Professional and Personal Judgement and Initiative

We want our graduates to have emotional intelligence and sound interpersonal skills and to demonstrate discernment and common sense in their professional and personal judgement. They will exercise initiative as needed. They will be capable of risk assessment, and be able to handle ambiguity and complexity, enabling them to be adaptable in diverse and changing environments.

This graduate capability is supported by:

Learning outcomes

- Identify tax issues and be able to apply the Income Tax, Fringe Benefits Tax, GST and the Taxation Administration Act provisions to simulated real life situations for the purposes of giving professional advice;
- Develop a suitable set of tax management strategies for individuals and business at various stages;
- Work collaboratively to solve legal problems related to taxation; and
- Undertake independent research on taxation issues through using electronic information retrieval systems.

Assessment tasks

- Class Test
- Online Quiz
- Assessed coursework
- Final Examination

Discipline Specific Knowledge and Skills

Our graduates will take with them the intellectual development, depth and breadth of knowledge, scholarly understanding, and specific subject content in their chosen fields to make them competent and confident in their subject or profession. They will be able to demonstrate, where relevant, professional technical competence and meet professional standards. They will be able to articulate the structure of knowledge of their discipline, be able to adapt discipline-specific knowledge to novel situations, and be able to contribute from their discipline to inter-disciplinary solutions to problems.

This graduate capability is supported by:

Learning outcomes

- Demonstrate a sound knowledge of the conceptual framework of the principal rules that relate to taxation in Australia
- Identify tax issues and be able to apply the Income Tax, Fringe Benefits Tax, GST and the Taxation Administration Act provisions to simulated real life situations for the purposes of giving professional advice;
- Develop a suitable set of tax management strategies for individuals and business at various stages;
- Use, present and evaluate numerical or statistical information related to taxation;
- Undertake independent research on taxation issues through using electronic information retrieval systems.

Assessment tasks

- Class Test
- Online Quiz
- Assessed coursework
- Final Examination

Critical, Analytical and Integrative Thinking

We want our graduates to be capable of reasoning, questioning and analysing, and to integrate and synthesise learning and knowledge from a range of sources and environments; to be able to critique constraints, assumptions and limitations; to be able to think independently and systemically in relation to scholarly activity, in the workplace, and in the world. We want them to have a level of scientific and information technology literacy.

This graduate capability is supported by:

Learning outcomes

- Demonstrate a sound knowledge of the conceptual framework of the principal rules that relate to taxation in Australia
- Identify tax issues and be able to apply the Income Tax, Fringe Benefits Tax, GST and the Taxation Administration Act provisions to simulated real life situations for the purposes of giving professional advice;
- Develop a suitable set of tax management strategies for individuals and business at various stages;
- Use, present and evaluate numerical or statistical information related to taxation;
- Work collaboratively to solve legal problems related to taxation; and
- Undertake independent research on taxation issues through using electronic information retrieval systems.

Assessment tasks

- Class Test
- Online Quiz
- Assessed coursework
- Final Examination

Effective Communication

We want to develop in our students the ability to communicate and convey their views in forms effective with different audiences. We want our graduates to take with them the capability to read, listen, question, gather and evaluate information resources in a variety of formats, assess, write clearly, speak effectively, and to use visual communication and communication

technologies as appropriate.

This graduate capability is supported by:

Learning outcomes

- Demonstrate a sound knowledge of the conceptual framework of the principal rules that relate to taxation in Australia
- Identify tax issues and be able to apply the Income Tax, Fringe Benefits Tax, GST and the Taxation Administration Act provisions to simulated real life situations for the purposes of giving professional advice;
- Develop a suitable set of tax management strategies for individuals and business at various stages;
- Use, present and evaluate numerical or statistical information related to taxation;
- Work collaboratively to solve legal problems related to taxation; and
- Undertake independent research on taxation issues through using electronic information retrieval systems.

Assessment tasks

- Class Test
- Online Quiz
- Assessed coursework
- Final Examination

Changes from Previous Offering

1): The Case Study/Report (previously weighted at 15%) has been replaced with an Online Quiz weighted at 10%. 2): The weighting of the Class Test has been increased from 20% to 25%. 3): The timing of the Online Quiz is scheduled before the Class Test. 4): The "Required and Recommended Texts" list has been updated. 5): The Special Consideration Policy in the previous Unit Guide has been replaced with the "Disruptions to Studies Policy".

Research and Practice

- This unit uses research from external sources researchers.
- This unit gives you practice in applying research findings in your assignments

Changes since First Published

Date	Description
14/01/2014	The Prerequisites was updated.