



# ACCG3020

## Taxation Law and Practice

Session 2, Weekday attendance, North Ryde 2021

*Department 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.

#### **Session 2 Learning and Teaching Update**

The decision has been made to conduct study online for the remainder of Session 2 for all units WITHOUT mandatory on-campus learning activities. Exams for Session 2 will also be online where possible to do so.

This is due to the extension of the lockdown orders and to provide certainty around arrangements for the remainder of Session 2. We hope to return to campus beyond Session 2 as soon as it is safe and appropriate to do so.

Some classes/teaching activities cannot be moved online and must be taught on campus. You should already know if you are in one of these classes/teaching activities and your unit convenor will provide you with more information via iLearn. If you want to confirm, see the list of [units with mandatory on-campus classes/teaching activities](#).

Visit the [MQ COVID-19 information page](#) for more detail.

## General Information

Unit convenor and teaching staff

Unit Convenor

Yega Muthu

[yega.muthu@mq.edu.au](mailto:yega.muthu@mq.edu.au)

Contact via in class or discussion forum

Refer to ilearn

Refer to ilearn

Credit points

10

Prerequisites

(20cp at 2000 level or above including (BUSL250 or BUSL251 or ACCG2051)) or 40cp in LAW units at 2000 level

Corequisites

Co-badged status

Unit description

This unit introduces students 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. After completing this unit, students will be able to recognise, describe and analyse taxation issues and apply tax 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:

**ULO2:** Develop a suitable set of tax management strategies for a variety of taxpayers

**ULO1:** Identify tax issues and apply the provisions of relevant tax legislation to real-life situations

**ULO3:** Present, evaluate and use numerical and statistical information related to taxation

**ULO4:** Apply research skills to source and interrogate tax law materials and interpret complex legal information

**ULO5:** Produce professionally written tax advice which presents a clear and well supported justification of guidance given

## General Assessment Information

### General Assessment Information

#### Late Submissions:

Late assessments (for the Case Study and reflection report)) must also be submitted through Turn-it-in. No extensions will be granted. There will be a deduction of 10% of the total available marks made from the total awarded mark for each 24 hour period or part thereof that the submission is late (for example, 25 hours late in submission incurs a 20% penalty).

Late submissions will not be accepted after solutions have been discussed and/or made available.

This penalty does not apply for cases in which an application for **Special Consideration** is made and approved.

**Note:** applications for **Special Consideration** must be made within 5 (five) business days of the due date and time.

#### Assessment Tasks

Name	Weighting	Hurdle	Due	
<a href="#">Assessed Coursework</a>		10%	No	Weekly
<a href="#">Online Quiz</a>		10%	No	Mid week of Week 5
<a href="#">Case study</a>		20%	No	Week 9
<a href="#">Online Final Exam</a>		60%	No	University Examination Period

## Assessed Coursework

Assessment Type 1: Participatory task Indicative Time on Task 2: 15 hours Due: **Weekly**

Weighting: **10%**

The Assessed Coursework Task (10%) is comprised of two tasks: 5% for individual presentations to assigned Tutorial questions during Zoom Tutorial sessions. The other 5% is awarded for a Reflection Report (500-600 words) due in week 11 online via Turn-it-in.

On successful completion you will be able to:

- Identify tax issues and apply the provisions of relevant tax legislation to real-life situations

- Develop a suitable set of tax management strategies for a variety of taxpayers
- Present, evaluate and use numerical and statistical information related to taxation
- Apply research skills to source and interrogate tax law materials and interpret complex legal information

## Online Quiz

Assessment Type <sup>1</sup>: Quiz/Test Indicative Time on Task <sup>2</sup>: 10 hours Due: **Mid week of Week 5**  
Weighting: **10%**

The Online Quiz will consolidate students' knowledge, skills, and capabilities in relation to the foundation principles of tax law and practice.

On successful completion you will be able to:

- Identify tax issues and apply the provisions of relevant tax legislation to real-life situations
- Present, evaluate and use numerical and statistical information related to taxation

## Case study

Assessment Type <sup>1</sup>: Case study/analysis Indicative Time on Task <sup>2</sup>: 30 hours Due: **Week 9**  
Weighting: **20%**

Students will be presented with a set of facts which will require them to identify the main tax issue(s), provide a detailed analysis of the tax issues, and apply relevant taxation laws to arrive at a conclusion in the form of a piece of advice. Students are required to communicate their professional tax advice via a 1500-word report.

On successful completion you will be able to:

- Identify tax issues and apply the provisions of relevant tax legislation to real-life situations
- Develop a suitable set of tax management strategies for a variety of taxpayers
- Present, evaluate and use numerical and statistical information related to taxation
- Apply research skills to source and interrogate tax law materials and interpret complex legal information
- Produce professionally written tax advice which presents a clear and well supported justification of guidance given

## Online Final Exam

Assessment Type : Examination Indicative Time on Task : 30 hours Due: **University Examination Period** Weighting: **60%**

A two-hour online examination (open book) will be held during the University Examination period.

## Assessment Tasks

Name	Weighting	Hurdle	Due
<a href="#">Case study</a>	20%	No	Week 9
<a href="#">Online Quiz</a>	10%	No	Week 5
<a href="#">Final Examination</a>	60%	No	Week 14 to Week 16
<a href="#">Assessed Coursework</a>	10%	No	05/11/2021

### Case study

Assessment Type <sup>1</sup>: Case study/analysis

Indicative Time on Task <sup>2</sup>: 30 hours

Due: **Week 9**

Weighting: **20%**

Students will be presented with a set of facts which will require them to identify the main tax issue(s), provide a detailed analysis of the tax issues, and apply relevant taxation laws to arrive at a conclusion in the form of a piece of advice. Students are required to communicate their professional tax advice via a 1500-word report.

On successful completion you will be able to:

- Develop a suitable set of tax management strategies for a variety of taxpayers
- Identify tax issues and apply the provisions of relevant tax legislation to real-life situations
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- Produce professionally written tax advice which presents a clear and well supported justification of guidance given

### Online Quiz

Assessment Type <sup>1</sup>: Quiz/Test

Indicative Time on Task <sup>2</sup>: 10 hours

Due: **Week 5**

Weighting: **10%**

The Online Quiz will consolidate students' knowledge, skills, and capabilities in relation to the foundation principles of tax law and practice.

On successful completion you will be able to:

- Identify tax issues and apply the provisions of relevant tax legislation to real-life situations
- Present, evaluate and use numerical and statistical information related to taxation

## Final Examination

Assessment Type <sup>1</sup>: Examination

Indicative Time on Task <sup>2</sup>: 30 hours

Due: **Week 14 to Week 16**

Weighting: **60%**

A three-hour open book exam will be held during the University Examination Period.

On successful completion you will be able to:

- Develop a suitable set of tax management strategies for a variety of taxpayers
- Identify tax issues and apply the provisions of relevant tax legislation to real-life situations
- Present, evaluate and use numerical and statistical information related to taxation
- Apply research skills to source and interrogate tax law materials and interpret complex legal information

## Assessed Coursework

Assessment Type <sup>1</sup>: Participatory task

Indicative Time on Task <sup>2</sup>: 15 hours

Due: **05/11/2021**

Weighting: **10%**

During the session, weekly tutorial questions will be assessed. Students are expected to make a reasonable attempt at completing the weekly assigned tutorial questions.

On successful completion you will be able to:

- Develop a suitable set of tax management strategies for a variety of taxpayers
- Identify tax issues and apply the provisions of relevant tax legislation to real-life situations
- Present, evaluate and use numerical and statistical information related to taxation
- Apply research skills to source and interrogate tax law materials and interpret complex legal information

<sup>1</sup> If you need help with your assignment, please contact:

- the academic teaching staff in your unit for guidance in understanding or completing this type of assessment
- the [Writing Centre](#) for academic skills support.

<sup>2</sup> Indicative time-on-task is an estimate of the time required for completion of the assessment task and is subject to individual variation

## Delivery and Resources

<b>Required Text:</b>	<p>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".</p> <p><b>PRESCRIBED TEXTS</b> (Students <b>must</b> have access to these books AT ALL TIMES).</p> <ol style="list-style-type: none"><li>1. <b>Textbook:</b> Sadiq (Gen. Ed.), Coleman, Hanegbi, Hart, Jogarajan, Krever, McLaren, Obst, Ting, <i>Principles of Taxation Law</i>, (Thomson Reuters, 2021). - cited throughout this Unit Guide as Sadiq'</li><li>2. <b>Workbook:</b> LJ Nethercott, L. Gonzaga and K Devos, <i>Australian Taxation Study Manual, Questions and Suggested Solutions</i> (30th edn, Oxford University Press, 2020)</li><li>3. <b>Legislation:</b> Barkoczy, <i>2021 Core Tax Legislation and Study Guide</i>, (24th edition, Oxford University Press 2021)</li></ol>
<b>Unit Web Page:</b>	<p>The ACCG3020 homepage is at: <a href="https://learn.mq.edu.au">learn.mq.edu.au</a>.</p> <p>You can directly access the Unit Guide, and the Assessment Guide, the current lecture outlines, Echo 360 recordings, announcements related to the unit, library and other useful websites via the ACCG3020's i-Learn site.</p>
<b>Technology Used and Required:</b>	<p>Students will need access to the internet as lecture handouts and notices will be available from the unit's web page.</p>

**Delivery  
Format  
and  
Other  
Details:**

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. The Lectures will be recorded on Echo 360 on a weekly basis.

Each week's lecture outlines (PowerPoint slides) will also be posted on i-Learn prior to the formal lecture. They are not intended to be a substitute for lecture attendance. These outlines are only core notes and they are **NOT** intended to be treated as stand alone resources nor in place of lecture attendance. They are provided for your convenience. You cannot rely on these outlines 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's **Assessment Guide** to supplement the material set out in the lecture outlines.*

**The Tutorial sessions will be run online via Zoom *as well as* in face-to-face modes.** The Tutorial questions for each week's class are also to be found in the unit's **Assessment Guide**. The 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.**

**Attendance and participation in Tutorials are compulsory.** Students - (including those enrolled in the i-Lecture stream) - will therefore be expected to attend and to participate in tutorials through, contributions to class discussions, formal presentations during tutorials, and showing an interest in other learning activities conducted by the Tutor.

**Classes**

- 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.
- 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 class number .
- **Students enrolled in the i-Lecture stream are expected to attend the weekly tutorials and to participate in completing the "Assessed Coursework" components of this unit.**
- In cases where classes have been missed because of 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 special consideration application 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 compels 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 Department of Accounting and Corporate Governance Prize for Taxation Law and Practice is awarded for proficiency in the Sessions 1 and 2 offerings of this unit respectively.
- [http://www.businessandconomics.mq.edu.au/undergraduate\\_degrees/prizes\\_scholarships](http://www.businessandconomics.mq.edu.au/undergraduate_degrees/prizes_scholarships)

**Recommended Readings:**

**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:**

- Woellner, Barkoczy, Murphy, Evans and Pinto, *Australian Taxation Law* (31st edn, Oxford University Press 2021)
- Sadiq, *Australian Taxation Law Cases* (Thomson Reuters, 2021)
- S Barkoczy, *Australian Tax Casebook* (15th edn, Oxford University Press, 2020).
- Hodgson, Mortimer, and Butler, *Tax Questions & Answers 2020* (Thomson Reuters, 2020).

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

1. **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.

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

1. **ATO website:** The Australian Taxation Office Internet site [www.ato.gov.au](http://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

1. 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 policy submissions canvassing tax reform.
- Chartered Accountants Australia and New Zealand: <https://www.charteredaccountantsanz.com/>. This site

contains relevant information including policy submissions canvassing tax reform.

- Taxation Institute of Australia: [www.taxinstitute.com.au](http://www.taxinstitute.com.au). This site provides useful resources and professional development activities in tax.
- 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>

#### 1. Professional Reference Texts

- 2020 *Australian Master Tax Guide* (CCH)

- 2020 *Australian Tax Handbook* (Thomson Reuters)
- 2020 *Australian Master GST Guide* (CCH)
- 2020 *Australian GST Handbook* (Thomson Reuters)

#### 1. 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.

#### 1. 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

## Unit Schedule

### Weeks 1-13

## Topic

### 1 Study Skills for Tax Law

- Tax Law and Doctrine of Precedents

#### Operating Framework of the Australian Tax System:

- 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

#### Tax Administration:

- operation and enforcement of the Act and ancillary legislation
- the assessment process; appeal procedures;
- rights and remedies of the Commissioner and taxpayer;
- tax agents.
- Residence and Source

#### Calculation of Tax Payable:

- Formulas, Rates & Offsets

#### Tax collection mechanisms

### 2 The concept of income:

- distinction between "income" and "capital";
- ordinary and statutory income;
- exempt income;
- assessable non-exempt income
- Income Tax-Residency and Source
- residence and source

### 3 The Income Concept: Ordinary Income

- Income from Personal Services and Employment;
- Income from Business
- Fruit and tree analysis

- Income from Property-Interest, Dividends, Rental and Lease income, Royalties, Annuities

#### **4 Allowable Deductions I**

- The general provision s.8-1
- Substantiation of expenses.

#### **5 Allowable Deductions II**

- Specific provisions relating to deductions

***Online Quiz - due mid-week of Week 5.***

#### **6 Statutory Income:**

- 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

#### **Mid-Session Break (13 September to 24 September 2021)**

#### **7 Other key taxes Fringe Benefits Tax and Goods and Services Tax:**

#### **8 Principles of Compensation**

**Important Notice:** The Take-home Case-Study Assignment will be posted on iLearn at the end of this week. The written responses must be submitted at the beginning of week 9 via Turn-it-in on this unit's iLearn facility.

**Please refer to iLearn and to the Assessment Guide for further details.**

#### **9 Trading Stock**

Tax Accounting, Small Businesses, Base rate entities

#### **10 Business Entities**

Sole Traders, Partnerships

#### **11 Companies:**

- Issues related to corporate taxation
- Dividends and shares, imputation system

## **12 Taxation of Partnerships, Trust Estates and Beneficiaries, minors**

## **13 Anti-Avoidance Legislation and Administration**

- Alienation of Personal Services Income;
- Basic techniques of tax planning;
- Ethical issues in tax practice;
- **REVISION**

**FINAL EXAMINATION PERIOD:** 8 November to 26 November 2021

## **Policies and Procedures**

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

- [Academic Appeals Policy](#)
- [Academic Integrity Policy](#)
- [Academic Progression Policy](#)
- [Assessment Policy](#)
- [Fitness to Practice Procedure](#)
- [Grade Appeal Policy](#)
- [Complaint Management Procedure for Students and Members of the Public](#)
- [Special Consideration Policy](#)

Students seeking more policy resources can visit [Student Policies \(https://students.mq.edu.au/support/study/policies\)](https://students.mq.edu.au/support/study/policies). It is your one-stop-shop for the key policies you need to know about throughout your undergraduate student journey.

To find other policies relating to Teaching and Learning, visit [Policy Central \(https://policies.mq.edu.au\)](https://policies.mq.edu.au) and use the [search tool](#).

## **Student Code of Conduct**

Macquarie University students have a responsibility to be familiar with the Student Code of Conduct: <https://students.mq.edu.au/admin/other-resources/student-conduct>

## **Results**

Results published on platform other than [eStudent](#), (eg. iLearn, Coursera etc.) or released directly by your Unit Convenor, are not confirmed as they are subject to final approval by the University. Once approved, final results will be sent to your student email address and will be made available in [eStudent](#). For more information visit [ask.mq.edu.au](https://ask.mq.edu.au) or if you are a Global MBA

student contact [globalmba.support@mq.edu.au](mailto:globalmba.support@mq.edu.au)

## 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](http://mq.edu.au/learningskills)) provides academic writing resources and study strategies to help you improve your marks and take control of your study.

- [Getting help with your assignment](#)
- [Workshops](#)
- [StudyWise](#)
- [Academic Integrity Module](#)

The Library provides online and face to face support to help you find and use relevant information resources.

- [Subject and Research Guides](#)
- [Ask a Librarian](#)

## 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](http://ask.mq.edu.au)

If you are a Global MBA student contact [globalmba.support@mq.edu.au](mailto:globalmba.support@mq.edu.au)

## IT Help

For help with University computer systems and technology, visit [http://www.mq.edu.au/about\\_us/offices\\_and\\_units/information\\_technology/help/](http://www.mq.edu.au/about_us/offices_and_units/information_technology/help/).

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

## Changes from Previous Offering

I have recommended a prescribed textbook for this course titled '*Principles of Taxation Law*, (Thomson Reuters, 2021)' co-authored by Sadiq (Gen. Ed.), Coleman, Hanegbi, Hart, Jogarajan, Krever, McLaren, Obst, Ting.

The previous textbook used was Woellner, Barkoczy, Murphy, Evans and Pinto, *Australian Taxation Law* (31st edn, Oxford University Press 2021).

## Changes since First Published

Date	Description
29/07/2021	incorrect due date advertised for week 5 and 9