



BUSL320

Revenue Law

S2 Evening 2013

Accounting and Corporate Governance

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General Information

Unit convenor and teaching staff Unit Convenor Hope Ashiabor hope.ashiabor@mq.edu.au Contact via hope.ashiabor@mq.edu.au
Credit points 3
Prerequisites BUSL301 or 12cp in 200 level LAW units
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>Assessed coursework</u>	10%	Weekly
<u>Class Test</u>	20%	Week 7
<u>Written Report</u>	15%	3 October 2013
<u>Final Examination</u>	55%	University Examination Period

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 special consideration 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;
- Work collaboratively to solve legal problems related to taxation; and
- Undertake independent research on taxation issues through using electronic information retrieval systems.

Class Test

Due: **Week 7**

Weighting: **20%**

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

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.

Written Report

Due: **3 October 2013**

Weighting: **15%**

Submission: Written report submitted through the unit ilearn page

Penalties: No extensions will be granted. Late tasks will be accepted up to 72 hours after the submission deadline. There will be a deduction of 20% 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-40% penalty). This penalty does not apply for cases in which an application for special consideration 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.

Final Examination

Due: **University Examination Period**

Weighting: **55%**

Examination conditions: Formal Examination Conditions Apply

You must pass the final exam to pass BUSL320

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 written essay report.
- Attendance: 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 within 5 days of the absence from the class in question.

- 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 (23rd edn, CCH 2013) - cited throughout this Unit Guide as Woellner'
2. **Workbook:** LJ Nethercott, G Richardson and K Devos, Australian Taxation Study Manual, Questions and Suggested Solutions (23rd edn, CCH, 2013)
3. **Casebook:** Krever, Australian Taxation Law Cases (Thomson Reuters, 2013)
4. **Legislation:** Barkoczy, 2013 Core Tax Legislation and Study Guide, (16th edition, CCH 2013)

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, Krever, McLaren, Obst, Ting, Principles of Taxation Law (Thomson Reuters, 2013).
- S Barkoczy, Australian Tax Casebook (11th edn, CCH, 2012).
- P Kenny, Australian Tax 2013 (LexisNexis Butterworths).

- Coleman, Hart, Bondfield, McKerchar, McLaren, Sadiq and Ting, Australian Tax Analysis: Cases, Commentary, Commercial Applications, and Questions (10th edn – Thomson Reuters, 2013).
- Fisher and Hodgson, Tax Questions & Answers 2013 (Thomson Reuters, 2013).

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

- 2013 Master Tax Guide (CCH)
- 2013 Australian Tax Handbook (Thomson Reuters)
- 2013 Australian Master GST Guide (CCH)
- 2013 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, iLecture, 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 i-Lecture 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
1	<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.
2	<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>

3	<u>The Income Concept: Incidental Issues</u> <ul style="list-style-type: none"> • residence and source; • derivation of income
4	<u>Assessable Income:</u> <ul style="list-style-type: none"> • Income according to ordinary concepts • statutory extensions to the concept of income
5	<u>Assessable Income:</u> <ul style="list-style-type: none"> • Income according to ordinary concepts • statutory extensions to the concept of income
6	<u>Statutory Income:</u> <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
7	<u>Allowable Deductions I</u> <ul style="list-style-type: none"> • The general provision s.8-1 • Substantiation of expenses
<u>Important Notice:</u> The class test will be conducted in class in the first hour of the week 7 Lecture (9th and 10th 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	
Mid-Session Break	
8	<u>Allowable Deductions II</u> <ul style="list-style-type: none"> • Specific provisions relating to deductions
<u>Important Notice:</u> Submission of the Written Report is due this week	
9	<u>Goods and Services Tax</u>
<u>Important Notice:</u> There will be no lecture or tutorials on Monday 7 October 2013, as it is a public holiday. All students are therefore advised to attend the Tuesday night Lecture in X5BT1. An audio recording of the full 2-hour lecture for the topic will be posted on iLecture. Students enrolled in the Monday tutorials should attend any one of the Tuesday tutorials.	
10	<u>Taxation of Partnerships, Trust Estates and Beneficiaries; minors</u>
11	<u>Companies:</u> <ul style="list-style-type: none"> • Issues related to corporate taxation • Dividends and shares, imputation system
12	<u>Fringe Benefits Tax</u> <ul style="list-style-type: none"> • The tax and its applications in practice

13	<u>Anti-Avoidance Legislation</u> <ul style="list-style-type: none"> • Alienation of Personal Services Income; • Basic techniques of tax planning; • Ethical issues in tax practice; • Revision
	FINAL EXAMINATION
	SUPPLEMENTARY EXAM PERIOD: 10-13 DECEMBER, 2013

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://www.mq.edu.au/policy/docs/academic_honesty/policy.html

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

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

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

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

Special Consideration Policy http://www.mq.edu.au/policy/docs/special_consideration/policy.html

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

Academic Honesty

The nature of scholarly endeavour, dependent as it is on the work of others, binds all members of the University community to abide by the principles of academic honesty. Its fundamental principle is that all staff and students act with integrity in the creation, development, application and use of ideas and information. This means that:

- all academic work claimed as original is the work of the author making the claim
- all academic collaborations are acknowledged
- academic work is not falsified in any way
- when the ideas of others are used, these ideas are acknowledged appropriately.

Further information on the academic honesty can be found in the Macquarie University Academic Honesty Policy at http://www.mq.edu.au/policy/docs/academic_honesty/policy.html

Grades

Macquarie University uses the following grades in coursework units of study:

- HD - High Distinction
- D - Distinction

- CR - Credit
- P - Pass
- F - Fail

Grade descriptors and other information concerning grading are contained in the Macquarie University Grading Policy which is available at:

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

Grading Appeals and Final Examination Script Viewing

If, at the conclusion of the unit, you have performed below expectations, and are considering lodging an appeal of grade and/or viewing your final exam script please refer to the following website which provides information about these processes and the cut off dates in the first instance. Please read the instructions provided concerning what constitutes a valid grounds for appeal before appealing your grade.

http://www.businessandconomics.mq.edu.au/new_and_current_students/undergraduate_current_students/how_do_i/grade_appeals/

Special Consideration Policy

The University is committed to equity and fairness in all aspects of its learning and teaching. In stating this commitment, the University recognises that there may be circumstances where a student is prevented by unavoidable disruption from performing in accordance with their ability. A special consideration policy exists to support students who experience serious and unavoidable disruption such that they do not reach their usual demonstrated performance level. The policy is available at:

http://www.mq.edu.au/policy/docs/special_consideration/policy.html

Student Support

Macquarie University provides a range of Academic Student Support Services. Details of these services can be accessed at: <http://students.mq.edu.au/support/>

UniWISE provides:

- Online learning resources and academic skills workshops http://www.students.mq.edu.au/support/learning_skills/
- Personal assistance with your learning & study related questions.
- The Learning Help Desk is located in the Library foyer (level 2).
- Online and on-campus orientation events run by Mentors@Macquarie.

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

Details of these services can be accessed at <http://www.student.mq.edu.au/ses/>.

IT Help

If you wish to receive IT help, we would be glad to assist you at <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 and it outlines what can be done.

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

- Assessed coursework
- Class Test
- Written Report
- 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

- Assessed coursework
- Class Test
- Written Report
- 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

- Assessed coursework
- Class Test
- Written Report
- 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;
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Assessment tasks

- Assessed coursework
- Class Test
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Research and Practice

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