



# LAW 553

## Taxation

S2 External 2013

*Macquarie Law School*

## Contents

<u>General Information</u>	2
<u>Learning Outcomes</u>	2
<u>Assessment Tasks</u>	3
<u>Delivery and Resources</u>	5
<u>Unit Schedule</u>	7
<u>Learning and Teaching Activities</u>	8
<u>Policies and Procedures</u>	9
<u>Graduate Capabilities</u>	10

### 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

Peter Crowfoot

[peter.crowfoot@mq.edu.au](mailto:peter.crowfoot@mq.edu.au)

Contact via [peter.crowfoot@mq.edu.au](mailto:peter.crowfoot@mq.edu.au)

Credit points

3

Prerequisites

6cp in LAW units at 300 level (P)

Corequisites

Co-badged status

Unit description

This unit covers an examination of the Australian taxation system. The unit covers the examination of what is income, the taxation of capital gains, deductions, capital allowances, and tax avoidance issues. The unit covers the administration of the taxation system and the taxation of companies, trusts and partnerships. The unit also covers a treatment of the social security system and the legal availability of welfare benefits. The unit is significant as it provides a basic knowledge of the taxation system and is a good background for all law students whether or not they practice in the taxation area.

## 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

Undertake independent research on taxation issues through using electronic information retrieval systems.

## Assessment Tasks

Name	Weighting	Due
<u>Weekly coursework</u>	20%	Weekly
<u>Written Report</u>	15%	06/09/2013
<u>In-Tutorial test</u>	15%	In tutorials of Week 8
<u>Final Examination</u>	50%	19/11/2013

### Weekly coursework

Due: **Weekly**

Weighting: **20%**

Weekly tutorial problems plus presentations and participation.

**Problems answers:** Internal students – hand in at tutorials. **Up to 2 A4 pages, handwritten.**

External students – first 6 week's work as above to be handed in at the on-campus session during the mid-term break. The second six week's work will be self-corrected.

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

## Written Report

Due: **06/09/2013**

Weighting: **15%**

Take Home written report question.

Microsoft word document, 12 point type double spaced, of length 800 to 1000 words. Submitted electronically via Turnitin. The question will be made available on iLearn at 9am on Friday August 30th 2013, and answers must be uploaded to Turnitin by 10pm on Friday September 6th 2013.

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.
- Undertake independent research on taxation issues through using electronic information retrieval systems.

## In-Tutorial test

Due: **In tutorials of Week 8**

Weighting: **15%**

Short answer questions.

Internal students – completed and handed in during the tutorial.

External Students - completed and handed in during the on-campus session.

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.

## Final Examination

Due: **19/11/2013**

Weighting: **50%**

Take Home. Comprehensive case-study type questions.

The Final Examination paper will be made available on iLearn at 9am on Tuesday November 12th. Answers are to be submitted as a Microsoft word document, 12 point double spaced via Turnitin by 10pm on Tuesday November 19th 2013. Each question will indicate the maximum number of words for that answer.

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 will be one two-hour lecture per week. This will be pre-recorded using Echo and attendance is not required. A full set of slides will accompany each lecture and these will also be posted separately on iLearn. Most weeks the two-hour lecture will be divided into several individual recordings, each covering a specific topic. There will also be a one-hour tutorial each week.

For External Students there will be two on-campus days during the Mid-Semester Break, as detailed in the Unit Schedule. For these students attendance during both of these days is compulsory and a requirement of the Course.

For tutorial times and classrooms please consult the MQ Timetable website: <http://www.timetable.s.mq.edu.au>. This website will display up-to-date information on your classes and classroom locations.

### Prescribed Texts

- Coleman, Hart et al. Australian Taxation Analysis, 9th edn – Thomson Reuters, 2013.
- Woellner, Barkoczy, Murphy, Evans and Pinto, Australian Taxation Law (23rd edn, CCH

2013)

**NOTE:** Out-of-date editions of these texts will not contain the latest changes in Taxation Law (e.g. changes in income tax rates) and may result in students learning incorrect material. Therefore you are strongly advised not to purchase second-hand older editions of these texts.

## 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](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

(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.cpaustralia.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>

### **Technology used and required**

Lectures will be recorded using Echo, and students should have the capability to download and listen to / watch these.

## **Unit Schedule**

Lectures (recorded on iLearn)

Week	Commences	Topic
1	July 29th	Introduction and Operating framework of the Australian Tax System
2	August 5 <sup>th</sup>	Ordinary Income 1
3	August 12 <sup>th</sup>	Ordinary Income 2
4	August 19 <sup>th</sup>	Ordinary Income 3
5	August 26 <sup>th</sup>	Statutory Income and Compensation
6	September 2 <sup>nd</sup>	Allowable Deductions 1

7	September 9th	Allowable Deductions 2
Mid-Semester break. External Students' On-Campus days 9am to 4pm September 26 <sup>th</sup> and 27 <sup>th</sup> .		
8	September 30 <sup>th</sup>	Taxable Income and calculation of tax payable
9	October 7 <sup>th</sup>	Companies and shareholders
10	October 14 <sup>th</sup>	Trusts and Partnerships
11	October 21 <sup>st</sup>	Goods and Services Tax
12	October 28 <sup>th</sup>	Fringe Benefits tax
13	November 4 <sup>th</sup>	Tax avoidance, ethics, tax administration, tax collection mechanisms

## Learning and Teaching Activities

### Tutorials Procedures

Students are provided on iLearn with a weekly document containing readings for the topic being covered and up to 4 questions. Every week each student prepares a brief written attempt at answering all of the week's questions, maximum total 2 A4 sheet sides. Students photocopy their answers, then hand in the original at the start of the tutorial. The tutor then randomly divides the students into groups (different each week), one for each question. Each group discusses their assigned question for 10 minutes and assigns a spokesperson. Each group spokesperson (i.e. the presenter) then presents their group's consensus answer (or answers, if they can't all agree!). The Tutor (and students not in that group) question the spokesperson (and other members of their group if the spokesperson cannot answer) until the correct answer is arrived at and understood by all. Students take notes on their photocopy of their answers where they were wrong. Each student has to give at least one presentation during the semester. Marks are assigned as below: 1. There are 12 tutorials. One mark is assigned for a hand-in which is a satisfactory attempt at answering all the questions for that week, that is showing evidence of



study and understanding of the topic, but not necessarily fully correct. A maximum of 10 marks total for the semester can be earned in this way – i.e. 10 satisfactory hand-ins. Answers can only be handed in at the relevant tutorial, or if absent through illness then at the following tutorial if a medical certificate is supplied. 2. There are another 10 marks for tutorial participation. Up to 5 of these marks are for a student's presentation(s), which should show that the presenter has listened to and understood the group discussion and efficiently developed a summary of the outcome. The answer should be presented logically and succinctly, keeping the attention of the audience and explaining any difficulties overcome. Answers to questions from the Tutor and other students should show that the student has good knowledge of the subject and is not just parroting the answers of others in the group. Should students give more than one presentation the higher mark is used if the marks should differ. Up to 5 more marks are awarded for general tutorial participation in the way of asking questions and taking part knowledgeably in discussions. 3. Students are expected to attend and participate in at least 10 out of the 12 tutorial classes during the semester. Failure to do so will result in a penalty of 0.5 marks for each tutorial less than 10 attended. These marks will be deducted from the overall tutorial participation mark that would have otherwise been allocated.

## 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](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](http://mq.edu.au/policy/docs/grievance_management/policy.html)

Special Consideration Policy [http://www.mq.edu.au/policy/docs/special\\_consideration/policy.html](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.

### Macquarie Law School Assessment Policy.

**Word limits in Macquarie Law School assessments are strictly applied. The word limit does not include footnotes or bibliographies where they are required. Unless explicitly indicated otherwise, referencing must comply with the current version of the Australian Guide to Legal Citation. In the absence of a successful application for special consideration, any assessment task submitted after its published deadline will not be graded and will receive a mark of zero. All written assessments (excluding online quizzes) will require submission through Turnitin**

## 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/](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

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

## 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.

- Work collaboratively to solve legal problems related to taxation

## Problem Solving and Research Capability

Our graduates should be capable of researching; of analysing, and interpreting and assessing data and information in various forms; of drawing connections across fields of knowledge; and they should be able to relate their knowledge to complex situations at work or in the world, in order to diagnose and solve problems. We want them to have the confidence to take the initiative in doing so, within an awareness of their own limitations.

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

## Creative and Innovative

Our graduates will also be capable of creative thinking and of creating knowledge. They will be imaginative and open to experience and capable of innovation at work and in the community. We want them to be engaged in applying their critical, creative thinking.

This graduate capability is supported by:

### Learning outcomes

- Develop a suitable set of tax management strategies for individuals and business at various stages.
- Work collaboratively to solve legal problems related to taxation

## 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.
- Work collaboratively to solve legal problems related to taxation