



The University of Southern Queensland

## Course specification

| <b>Description: Taxation Law</b> |         |       |         |      |       |           |
|----------------------------------|---------|-------|---------|------|-------|-----------|
| Subject                          | Cat-nbr | Class | Term    | Mode | Units | Campus    |
| LAW                              | 5230    | 55446 | 2, 2006 | WEB  | 1.00  | Toowoomba |

|                                   |        |
|-----------------------------------|--------|
| <b>Academic group:</b>            | FOBUS  |
| <b>Academic org:</b>              | FOB008 |
| <b>Student contribution band:</b> | 3      |
| <b>ASCED code:</b>                | 090911 |

### STAFFING

Examiner: Tom Delany

Moderator: Noel Brown

### REQUISITES

Pre-requisite: ACC5202 and LAW5206

### RATIONALE

An understanding of the principles of taxation is one of the most important and useful tools for anyone seeking advancement to senior management status in the corporate world, to those providing accounting or financial services to business and to those seeking to be professional accountants or lawyers. It is also equally important for individuals in managing their personal affairs. There would be no major business decision in Australia, from the purchase of an item of plant to the overall organisation of a business structure, which is taken without regard to the taxation implications. Indeed, tax is often the motivating factor behind a decision or action. A study of taxation law involves not only an attainment of knowledge of the provisions of the various Tax Acts, but also a large volume of case law which has defined and/or clarified both the Acts or general concepts not defined in the Acts, as well as the ability to apply this knowledge to factual situations.

### SYNOPSIS

In order to participate in the planning of a client's tax affairs it is necessary to understand the relevant sections of the appropriate taxation laws applicable to the transaction or entity structure. This course primarily introduces students to the Income Tax Assessment Act (ITAA) and the Goods and Services Tax Act 1999 (GSTA). Topics covered include assessable income, capital gains tax, allowable deductions, goods and services tax, classes of taxpayers, calculation of tax payable and offsets/rebates of tax, tax administration provisions and the taxation of business entities.

## OBJECTIVES

The course objectives define the student learning outcomes for a course. The assessment item(s) that may be used to assess student achievement of an objective are shown in parentheses after each objective. On successful completion of this course, students should be able to:

1. explain the general operation of the Income Tax Assessment Act and the basic concepts underlying its operation (CMA Test 1, CMA Test 2, CMA Test 3, Assignment, CMA Test 4, CMA Test 5, Examination)
2. undertake an analysis of the income tax laws and apply the principles of taxation law to factual situations (CMA Test 1, CMA Test 2, CMA Test 3, Assignment, CMA Test 4, CMA Test 5, Examination)
3. identify and explain the legislative framework of Goods and Services Tax in Australia and apply the law to factual situations (CMA Test 1, CMA Test 2, CMA Test 3, Assignment, CMA Test 4, CMA Test 5, Examination).

## TOPICS

| Description  | Weighting (%) |
|--|---------------|
| 1. Concepts of Assessable Income (including legislative scheme; derivation of income; residence and source; an introduction to international taxation; assessable income - ordinary and statutory; personal exertion, business and property income; trading stock; exempt income; other taxes and charges).  | 24.00         |
| 2. Allowable Deductions (including, general and specific deductions; timing of deductions; employment deductions; depreciation; substantiation; primary production; tax losses; superannuation; fringe benefits tax).  | 24.00         |
| 3. Capital Gains Tax (including assets; acquisitions and disposals; calculation of gains and losses; exemptions; consequences of death; composite assets; rollovers; entities including partnerships; special assets; CGT concessions).  | 14.00         |
| 4. Goods and Services Tax (including a discussion of the key features of the GST Law, the liability to pay GST, registration, GST-free supplies, input taxed supplies, taxable supplies, creditable acquisitions, tax periods, transitional issues, specific transactions, compliance, the impact of GST on business and accounting for GST transactions). | 12.00         |
| 5. Taxation of Entities (including, the tax treatment of partnerships, companies, trusts, superannuation funds; tax planning; anti-avoidance).   | 10.00         |
| 6. Tax Administration (including, self-assessment; returns; collection mechanisms; tax offences and penalties; assessments and amended assessments; record keeping; tax agents; Commissioner's rights of access and investigation).  | 8.00          |
| 7. Offsets/Rebates, Tax Rates, Medicare Levy (including concessional offsets/rebates; other offsets/rebates including imputation and zones; calculation of tax payable by individuals,   | 8.00          |

companies, trusts, superannuation funds; medicare levy; foreign tax credits; withholding taxes).

## **TEXT and MATERIALS required to be PURCHASED or ACCESSED**

ALL textbooks and materials are available for purchase from USQ BOOKSHOP (unless otherwise stated). Orders may be placed via secure internet, free fax 1800642453, phone 07 46312742 (within Australia), or mail. Overseas students should fax +61 7 46311743, or phone +61 7 46312742. For costs, further details, and internet ordering, use the 'Textbook Search' facility at <http://bookshop.usq.edu.au> click 'Semester', then enter your 'Course Code' (no spaces).

2006, *2006 Australian tax handbook*, Australian Tax Practice, Pyrmont, New South Wales.

Barkoczy, S 2006, *2006 core tax legislation and study guide*, CCH Australia Limited, Sydney, New South Wales.

Barkoczy, S 2004, *Australian tax casebook*, 7th edn, CCH Australia Limited, North Ryde, New South Wales.

## **REFERENCE MATERIALS**

Reference materials are materials that, if accessed by students, may improve their knowledge and understanding of the material in the course and enrich their learning experience.

CCH Tax Editors 2006, *Australian master tax guide*, CCH Australia Ltd, North Ryde, New South Wales.

(also available electronically on USQ Library database, CCH Electronic Libraries:  
[http://www.usq.edu.au/library/eservices/ezp\\_cch.htm](http://www.usq.edu.au/library/eservices/ezp_cch.htm))

Coleman, C, Hart, G & Boccabella, D *Australian tax analysis: cases, commentary commercial applications and questions*, Australian Tax Practice, North Ryde, New South Wales.

(most recent edition)

Cooper, GS, Krever, RE & Vann, R *Income taxation: commentary and materials*, Australian Tax Practice, North Ryde, New South Wales.

(most recent edition)

Kobetsky, M, Dirkis, M & Krever, R *Income tax: text, materials and essential cases*, Federation Press, Leichhardt, New South Wales.

(most recent edition)

Summers, J & Smith, B 2006, *Communication skills handbook: how to succeed in written and oral communication*, 2nd edn, John Wiley & Sons, Milton, Queensland.

Woellner, R, Barkoczy, S, Murphy, S & Evans, C *Australian taxation law 2006*, CCH Australia Ltd, North Ryde, New South Wales.

## **STUDENT WORKLOAD REQUIREMENTS**

| ACTIVITY       | HOURS |
|----------------|-------|
| Assessment     | 20.00 |
| Directed Study | 52.00 |
| Private Study  | 93.00 |

## ASSESSMENT DETAILS

| Description        | Marks out of | Wtg(%) | Due date               |
|--------------------|--------------|--------|------------------------|
| CMA TEST 1         | 100.00       | 2.00   | 14 Aug 2006            |
| CMA TEST 2         | 100.00       | 2.00   | 04 Sep 2006            |
| CMA TEST 3         | 100.00       | 2.00   | 18 Sep 2006            |
| ASSIGNMENT         | 100.00       | 20.00  | 06 Oct 2006            |
| CMA TEST 4         | 100.00       | 2.00   | 16 Oct 2006            |
| CMA TEST 5         | 100.00       | 2.00   | 03 Nov 2006            |
| 3 HOUR EXAMINATION | 100.00       | 70.00  | END S2<br>(see note 1) |

### NOTES

1. The examination is scheduled to be held in the end-of-semester examination period. Students will be advised of the official examination date after the timetable has been finalised.

## IMPORTANT ASSESSMENT INFORMATION

- 1 Attendance requirements:  
For all other students, there are no attendance requirements for this course. However, it is the students' responsibility to study all material provided to them or required to be accessed by them to maximise their chance of meeting the objectives of the course and to be informed of course-related activities and administration.
- 2 Requirements for students to complete each assessment item satisfactorily:  
To satisfactorily complete an individual assessment item a student must achieve at least 50% of the marks. (Depending upon the requirements in Statement 4 below, students may not have to satisfactorily complete each assessment item to receive a passing grade in this course.)
- 3 Penalties for late submission of required work:  
If students submit assignments after the due date without prior approval then a penalty of 20% of the total marks gained by the student for the assignment will apply for each working day late.
- 4 Requirements for student to be awarded a passing grade in the course:  
To be assured of receiving a passing grade a student must submit all of the weighted assessment items, achieve at least 50% in the examination and at least 50% of the total weighted marks available for the course. Students who do not qualify for a Passing grade may, at the discretion of the Examiner, be awarded a Supplementary Examination and/or assigned additional work to demonstrate to the Examiner that they have achieved the required standard.
- 5 Method used to combine assessment results to attain final grade:  
The final grades for students will be assigned on the basis of the aggregate of the weighted marks obtained for each of the summative assessment items in the course.
- 6 Examination information:  
This is an open examination. Candidates may have access to any material during the examination except the following: electronic communication devices (eg mobile telephones, pagers), bulky materials, devices requiring mains power and material likely to disturb other students.

- 7 Examination period when Deferred/Supplementary examinations will be held:  
Any Deferred or Supplementary examinations for this course will be held during the next examination period.
- 8 University Regulations:  
Students should read USQ Regulations 5.1 Definitions, 5.6. Assessment, and 5.10 Academic Misconduct for further information and to avoid actions which might contravene University Regulations. These regulations can be found at the URL <http://www.usq.edu.au/corporateservices/calendar/part5.htm>. Students should also read the Faculty of Business Guide to Policies and Procedures of the Faculty which can be found at the URL <http://www.usq.edu.au/handbook/current/buspolproc.html>.

## **ASSESSMENT NOTES**

- 1 Assignments: (i) The due date for an assignment is the date by which a student must despatch the assignment to the USQ. The onus is on the student to provide proof of the despatch date, if requested by the Examiner. (ii) Students must retain a copy of each item submitted for assessment. This must be produced within 24 hours if required by the Examiner. (iii) In accordance with University's Assignment Extension Policy (Regulation 5.6.1), the Examiner may grant an extension of the due date of an assignment in extenuating circumstances. If students submit assignments after the due date and wish to claim extenuating circumstances then they shall provide validated documentary evidence with the assignment, explaining the circumstances. The Examiner shall consider the statement accompanying a late assignment and decide on the outcome. (iv) Assignments are to be submitted in the appropriate assignment folders. (v) The Examiner will normally only accept assessments that have been written, typed or printed on paper-based media. (vi) The Examiner will not accept submission of assignments by facsimile. (vii) In the event that a due date for an assignment falls on a local public holiday in their area, such as a Show holiday, the due date for the assignment will be the next day. Students are to note on the assignment cover the date of the public holiday for the Examiner's convenience.
- 2 Course Weightings: Course weightings of topics should not be interpreted as applying to the number of marks allocated to questions testing those topics in an examination paper. The examination may test material already tested in assignments.
- 3 Deferred Work: Students who, for medical, family/personal, or employment-related reasons, are unable to complete an assignment or to sit for an examination at the scheduled time may apply to defer an assessment in a course. Such a request must be accompanied by appropriate supporting documentation. One of the following temporary grades may be awarded: IDS (Incomplete - Deferred Examination); IDM (Incomplete Deferred Make-up); IDB (Incomplete - Both Deferred Examination and Deferred Make-up).

## **OTHER REQUIREMENTS**

- 1 Learning Resources: Prescribed texts and course materials (see above); printed Introductory Book, Study Book, Solutions Book, and Computer Managed Assessment Book; and CD (compact disc).
- 2 E-mail and Internet Access: Students will require access to e-mail and Internet access to USQConnect for this course.
- 3 Dishonest Actions: (i) Any student who is alleged to have performed a dishonest action relating to any assessment in the course will have a course of action taken against him/her as outlined in the Academic Regulations. (ii) Pieces of assessment should be the work of individual students. Joint pieces of assessment are not permitted unless

written approval has been obtained from the Examiner. (iii) Dishonest action in relation to assessment includes: copying or attempting to copy the work of others; use of or attempting to use information prohibited from use in that form of assessment; submitting the work of another as your own; consciously committing acts of plagiarism, that is, taking and using another's thoughts or writings as one's own with intent to deceive, which occurs when paragraphs, sentences, a single sentence or significant parts of a sentence which are copied directly, are not enclosed in quotation marks and appropriately footnoted or referenced in the text; direct quotations are not used, but text is paraphrased or summarised, and the source of the material is not acknowledged by footnoting or other reference in the text.

---