Description: International Finance and Tax

<table>
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<tr>
<th>Subject</th>
<th>Cat-nbr</th>
<th>Class</th>
<th>Term</th>
<th>Mode</th>
<th>Units</th>
<th>Campus</th>
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<tr>
<td>FIN</td>
<td>8104</td>
<td>34272</td>
<td>2, 2004</td>
<td>EXT</td>
<td>1.00</td>
<td>TW MBA</td>
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Academic group: FOBUS  
Academic org: FOB009  
Student contribution band: 2  
ASCED code: 081101

STAFFING
Examiner: Sarath Delpachitra  
Moderator: Michelle Goyen

OTHER-REQUISITES
Pre-requisite: Enrolment In a Postgraduate Program

RATIONALE
Whether or not a product best suits the demands of the end user when compared with its competition will often depend on financing arrangements available to the end user. The profitability of the manufacturer will often depend on taxation considerations. The bottom line of many contract negotiators will be dictated by financial considerations which include taxation implications of the proposal.

SYNOPSIS
This course covers the concepts and mechanics of international money and capital markets. It includes exchange rate dynamics and forecasting, discussion of exchange rate risk and exposure management, sources of International Finance and international capital budgeting techniques. The course will also include an examination of the implications of taxation in international business decision making, the need for taxation planning, tax treaties, the foreign tax credit system, and foreign investment and exchange controls.

OBJECTIVES
Successful completion of this course should enable students to:

1. apply basic foreign exchange trading techniques including the use of derivative instruments;
2. identify and apply regulations relevant to the taxation of Foreign Source Income of Australian residents including tax treaties;
3. identify and apply regulations relevant to the taxation of Australian Source Income of Non-Residents including tax treaties;
4. identify and apply tax Anti-Avoidance provisions and Special Issue topics;
5. identify when Part X of the Income Tax Assessment Act applies and apply those provisions in the appropriate manner;
6. identify and manage foreign exchange risks and exposures;
7. identify and explain alternative sources of finance available to Multinational Corporations in making Capital Structure decisions;
8. identify and apply relevant issues to be considered in assessing the capital structure of an offshore project and in international portfolio management.

**TOPICS**

<table>
<thead>
<tr>
<th>Description</th>
<th>Weighting (%)</th>
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<tr>
<td>1. International Monetary System</td>
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<tr>
<td>2. Exchange Rate Forecasting</td>
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</tr>
<tr>
<td>3. Exposure Management</td>
<td>20.00</td>
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<tr>
<td>4. International Taxation Issues</td>
<td>30.00</td>
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<tr>
<td>5. Financial Structuring</td>
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<tr>
<td>6. Multinational Capital Project Evaluation</td>
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</table>

**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).


Hamilton, RL., Deutsch, RL., & Raneri, JC 2001, *Guidebook to Australian international taxation*, 7th edn, Prospect Media, St Leonards, New South Wales. (student edition)
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.

(North Ryde, New South Wales or equivalent for reporting system)

STUDENT WORKLOAD REQUIREMENTS:

<table>
<thead>
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<th>ACTIVITY</th>
<th>HOURS</th>
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<tr>
<td>Assessment</td>
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<td>Private Study</td>
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ASSESSMENT DETAILS

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<tr>
<th>Description</th>
<th>Marks out of</th>
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<tr>
<td>ASSIGNMENT 1</td>
<td>100.00</td>
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<td>ASSIGNMENT 2</td>
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<td>3 HOUR EXAMINATION</td>
<td>100.00</td>
<td>60.00</td>
<td>END S2 (see note 1)</td>
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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:
If you are an international student in Australia you are advised to attend all classes at your campus. Failure to attend may infringe the conditions of your student visa. 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 complete each of the assignments satisfactorily, students must attempt all questions. To complete the examination satisfactorily, students must obtain at least 50% of the marks available for the examination.

3 Penalties for late submission of required work:
If students submit assignments after the due date without prior approval by the Examiner, 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 summative assessment items, achieve at least 50% in the examination and at least 50% of the available weighted marks for the summative assessment items.

5 Method used to combine assessment results to attain final grade:
The final grades for students will be assigned on the basis of the weighted aggregate of the marks obtained for each of the summative assessment items in the course.

6 Examination information:
This is a restricted examination. Candidates are allowed access to specific materials during the examination. The only materials that candidates may use in the restricted examination for this course are: writing materials (non-electronic and free from material which could give the student an unfair advantage in the examination); calculators which cannot hold textual information (students must indicate on their examination paper the make and model of any calculator(s) they use during the examination); and an unmarked and unannotated (except for underlining and highlighting) copy of 'Guidebook to Australian international taxation' and "Income Tax Assessment Act 1997/1936". Students are not permitted to take mobile telephones, pagers or other electronic means of communication into the examination room.

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 five days if required by the Examiner. (iii) The Examiner may grant an extension of the due date of an assignment in extenuating circumstances. All applications for extensions must be accompanied by supporting documentation. In all circumstances no assignments will be accepted two calendar weeks after the due date. The Examiner shall consider the statement accompanying a late assignment and decide on the outcome. (iv) The Examiner will not accept submission of assignments by facsimile. (v) Assignments are to be submitted in the appropriate assignment folders.

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.