BUSI 3005 C - Taxation I
Winter 2016

COURSE OUTLINE

Instructor  
Emily Gray, CPA, CA

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DT 1004

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613-520-2600 x3320

E-mail  
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Office Hours  
Mondays 4:30-5:30pm
Wednesdays 2:30-3:30pm
And by appointment

Class Time and Location  
Mondays; 6-9pm; TB 447

Course Description
This course introduces Federal income tax laws and regulations and their impact on an individual’s financial and business decisions. Problems, issues and planning associated with the Income Tax Act and concerned with the computation of taxable income and taxes payable by an individual are discussed.

Course Objectives
Accountants cannot make intelligent business decisions without first considering the tax implications of the choices. An understanding of Canadian taxation is therefore necessary in order to make those decisions.

BUSI 3005 is the first of two introductory courses (with BUSI 4005) in income tax law which are designed to achieve the following objectives:

1) To explain the theoretical concepts behind the specific provisions of the law,
2) To apply the law in practical problems and case settings,
3) To interpret the law, taking into account the specific wording of the provisions, judicial decisions and the Canada Revenue Agency’s (CRA) position, and
4) To introduce basic tax planning concepts through case application

This course is an introduction to tax principles and practice. The focus of BUSI 3005 – Taxation I is on fundamental principles and personal income tax. The focus of BUSI 4005 – Taxation II is on corporate income tax and specialized topics.
Prerequisites
BUSI 2001 – Intermediate Accounting I (with a grade of C- or higher)

This course is a prerequisite to:
BUSI 4005 – Taxation II (with a grade of C- or higher)
Precludes additional credit for:
BUSI 2005 – Income Tax Fundamentals

Course Materials
Required:
- Textbook (available at Haven Books – 43 Seneca St., corner of Seneca and Sunnyside)
  Introduction to Federal Income Taxation in Canada 36th edition
- A copy of the Income Tax Act, 2015 (available at Haven Books)
    OR
    OR
  - You may use the online version of the Income Tax Act, but note that it does not include supplementary notes, which the hard copies do
- Coursepack (available at Black Squirrel Bookstore – 1073 Bank Street (near Sunnyside))
- Course website on cuLearn: http://www.carleton.ca/culearn
  - Assignments
  - Additional material

Supplemental:
- Textbook (on reserve in Library)
- Websites:
  Canada Revenue Agency
  www.cra.gc.ca
  Income Tax Act on the Department of Justice Canada website:

Method of Instruction
The format of the course consists generally of one 180 minute lecture each week. Due to time constraints, not all chapter material will be covered in class. Students are responsible for the entire content of each chapter of the textbook assigned, as well as additional topics discussed in class, except for those specifically excluded by the instructor.

Class sessions entail a mixture of lecture, problem solving, case study, group work, and discussion. The content of any lecture presumes and expects you have carefully studied the assigned reading. Lectures emphasize the major topics and readings, yet you are responsible for all assigned materials. It requires active learning, which means students must take responsibility for the learning that takes place. You must be prepared for each class, participate during class, and practice the learned material after class. You are encouraged to ask questions and stimulate discussion on topics you have difficulty understanding.
Grading Scheme

Assignments (4) 40%
Midterm – 75 minutes (in class February 29th) 20%
Final Exam – 3 hours (during formal final exam period) 40%

100%

Assignments
The assignments will be due at the beginning of class on the following dates:

<table>
<thead>
<tr>
<th>Assignment #</th>
<th>Chapter Coverage</th>
<th>Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1, 2, 14</td>
<td>Feb 1</td>
</tr>
<tr>
<td>2</td>
<td>3, 4</td>
<td>Feb 22</td>
</tr>
<tr>
<td>3</td>
<td>5, 6, 7, 8</td>
<td>Mar 15</td>
</tr>
<tr>
<td>4</td>
<td>NALT &amp; ATT*, 9, 10</td>
<td>Apr 5</td>
</tr>
</tbody>
</table>

* NALT & ATT: Non-Arm’s Length Transactions and Attribution Rules (chapters 6 & 7)

The assignments are to be done in groups of 2-3 students. Students who wish to complete the assignments individually need advanced permission of the instructor. Late assignments will NOT be accepted. Make-up assignments are not provided.

Midterm and Final Exam
The midterm and final exam will test both the technical and conceptual aspects of the course. Only non-programmable calculators (without alpha storage capabilities) will be permitted. Translation dictionaries are allowed as long as they are in print format and do not contain any handwritten notes. Electronic translation dictionaries are not allowed. All assigned readings, in-class handouts and material from lectures are examinable.

Missed Midterm: If you must miss the midterm due to a verifiable illness (or, in rare cases, some other acceptable circumstances beyond your control), the weight for the midterm will be transferred to the final examination (i.e. the final exam will count for 50% of the grade). If the midterm is missed without a legitimate reason, a grade of zero will be given. A medical certificate or other verifiable documentation must be submitted to the instructor no later than five (5) calendar days after the date of the midterm (scanned by email is acceptable).

The final examination will be held in the regular examination period (April 11-23). The duration of the exam will be 3 hours. The final examination will cover the whole course. You need to obtain a minimum of 45% on the final exam to pass this course. A Tax Appendix, with various information, will be provided by the instructor as part of the final exam (you will see this appendix, and what it contains, prior to the examination).

Marking
The assignments and exams will be marked by the teaching assistants and the instructors together and follow a rigorous quality control process that reasonably assures that the grade awarded on exams is fair. However, no system is 100% error-free, so it is possible that you may wish to call into question a grade that has been awarded on a test. In this circumstance, please write a brief note describing the difficulty with the awarded grade and provide this note, together with the graded test/assignment, to the instructor or teaching assistant no later than seven calendar days.
following the date the assignments/tests were handed back. Please be sure to include your name and student number on the note to enable us to properly identify it.

cuLearn
cuLearn is an integral part of the course. Much course related material and information will be found here. Please check it regularly.

Conduct
Professional conduct is built upon the idea of mutual respect. Such conduct includes (but is not limited to):

1) Attendance & Punctuality
   Doing well in the course is highly correlated to your attendance. I will do my best to make the class of value to you, and in turn, I expect you to bring your energy and good attitude with you to each and every class. If circumstances prevent attendance, please remember that you are responsible for all materials discussed, handouts distributed, problems covered, and announcements made.
   Late arrivals are disruptive to me and the other students in the class and so should be avoided when possible. On a similar note, early departures should also be an exception.

2) Other Disruptions
   This is a very broad category, and includes leaving and re-entering class (although I understand that there are times that this is a necessity). Side conversations are discouraged, however, talking to the class a whole, is encouraged. Texting, other cell phone use, internet surfing or completing other classwork while in my class is a poor use of your time and will not be tolerated. Unfortunately, humans are not as good at multitasking as we would like to believe. Please turn your phone on silent (or off) – mine will be on airplane mode so as not to disrupt but so that I can still see the time.

3) Being Prepared
   You should be ready to discuss any assigned readings and to answer any assigned questions for each day's class. Please refer to the course schedule and time on task details below, as well as any in-class announcements to know what is expected from you at each class.
## Stay on Top of the Work

<table>
<thead>
<tr>
<th>Work Expected Each Week</th>
<th>Estimated Time (Minutes)</th>
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<tbody>
<tr>
<td><strong>BEFORE CLASS</strong></td>
<td></td>
</tr>
<tr>
<td>Review learning objectives for chapter</td>
<td>10</td>
</tr>
<tr>
<td>Read chapter(s) for next class (see calendar)</td>
<td>80</td>
</tr>
<tr>
<td>Try example problems from chapter for next class</td>
<td>30</td>
</tr>
<tr>
<td>Read slides for next class</td>
<td>20</td>
</tr>
<tr>
<td>Note down any questions you have for class</td>
<td>10</td>
</tr>
<tr>
<td><strong>IN CLASS</strong> - attend class as active participant/learner</td>
<td>180</td>
</tr>
<tr>
<td><strong>AFTER CLASS</strong></td>
<td></td>
</tr>
<tr>
<td>Try some review/exercise problems from Chapter</td>
<td>90</td>
</tr>
<tr>
<td>Work on assignment</td>
<td>90</td>
</tr>
<tr>
<td>Work through any homework/participation points</td>
<td>30</td>
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<tr>
<td></td>
<td>~540</td>
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<td></td>
<td>~9 hours/week</td>
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### Course Schedule (note: this is a planned schedule only; deviations may occur)

<table>
<thead>
<tr>
<th>MONTH</th>
<th>DATE</th>
<th>EXPECTED CLASS COVERAGE</th>
<th>REQUIRED READINGS</th>
<th>ASSIGNMENT COVERAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>JAN</td>
<td>11</td>
<td>Introduction to Course; Begin Chapter 1</td>
<td>-Course Outline; -Roadmap; -Course Objectives -Chapter 1 (exception: 1400 - Introduction to GST/HST) -Chapter 10 (even if you don't understand everything yet...)</td>
<td>Assignment 1 Due Feb 1</td>
</tr>
<tr>
<td></td>
<td>18</td>
<td>Chapter 2 - Liability for Tax Chapter 14 - Rights and Obligations</td>
<td>-Chapter 2 - Liability for Tax (exception: 2300 - Registration Requirements and Liability for the GST/HST) -Chapter 14 - Rights and Obligations (exception: 14400 onwards - Excise Tax Act)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>25</td>
<td>Chapter 3 - Employment Income</td>
<td>-Chapter 3 (exception: 3500 - GST/HST Rebate on Employee Deductions). -Review Example Problem 3-14 in detail. -IT470R and ITTN40. -10015 (in Chapter 10); review example 10-1</td>
<td>Assignment 2 Due Feb 22</td>
</tr>
<tr>
<td>FEB</td>
<td>1</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>8</td>
<td>Chapter 4 - Business Income</td>
<td>-Chapter 4 (exception: 4400 onwards - GST/HST Impact on Business Activity). -Review Example Problem 4-7 in detail</td>
<td></td>
</tr>
<tr>
<td></td>
<td>15</td>
<td>Reading Week</td>
<td>-Study</td>
<td></td>
</tr>
<tr>
<td>Date</td>
<td>Chapter(s)</td>
<td>Notes</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>
| 22   | Chapter 5 - CCA & CEC (cont'd)  
Chapter 6 & 13 - Property Income | -Chapter 5 (exception: 5400 - Capital Personal Property and the input credit system under GST/HST)  
-Chapter 6 (inclusion: 6900 Supplemental Notes; you can skim section 6070 - 6120 - will do in detail later; exception: 6500 GST/HST and Property Income)  
-Chapter 13, Sections 13070 and 13080 only |
| 29   | Midterm (Ch 1-5, 14)  
Chapter 6 & 13 - Property Income (cont'd) | -Chapter 6 (inclusion: 6900 Supplemental Notes; you can skim section 6070 - 6120 - will do in detail later; exception: 6500 GST/HST and Property Income)  
-Chapter 13, Sections 13070 and 13080 only |
| MAR  | Chapter 7 - Capital Gains/Losses  
Chapter 8 - Capital Gains/Losses | -Chapter 7 (you can skim section 7400 - will do in detail later; exception: 7500 & 7600)  
-Chapter 8 |
| 14   | Chapter 6 & 7 (NALT & ATTR)  
Chapter 9 - Other Income & Deductions | -Sections 6070 - 6120 and 7400 (skimmed in previous weeks)  
-Chapter 9 |
| 21   | Chapter 9 - Other Income & Deductions  
Chapter 10 - Computation of Taxable Income and Taxes Payable | -Read Chapter 10 again, this time, with an ability to understand it better |
| 28   | Chapter 10 - Computation of Taxable Income and Taxes Payable  
-and review (if we have time) | |
| APR  | Assignment 3 | Due Mar 15th |
| 4    | Assignment 4 | Due Apr 4 |
Course Sharing Websites
Student or professor materials created for this course (including presentations and posted notes, labs, case studies, assignments and exams) remain the intellectual property of the author(s). They are intended for personal use and may not be reproduced or redistributed without prior written consent of the author(s).

Group work
The Sprott School of Business encourages group assignments in the school for several reasons. They provide you with opportunities to develop and enhance interpersonal, communication, leadership, follower-ship and other group skills. Group assignments are also good for learning integrative skills for putting together a complex task. Your professor may assign one or more group tasks/assignments/projects in this course. Before embarking on a specific problem as a group, it is your responsibility to ensure that the problem is meant to be a group assignment and not an individual one.

In accordance with the Carleton University Undergraduate Calendar (p 34), the letter grades assigned in this course will have the following percentage equivalents:

- A+ = 90-100
- B+ = 77-79
- C+ = 67-69
- D+ = 57-59
- A = 85-89
- B = 73-76
- C = 63-66
- D = 53-56
- A- = 80-84
- B- = 70-72
- C- = 60-62
- D- = 50-52
- F = Below 50
- WDN = Withdrawn from the course
- ABS = Student absent from final exam
- DEF = Deferred (See above)
- FND = (Failed, no Deferred) = Student could not pass the course even with 100% on final exam

Academic Regulations, Accommodations, Etc.
University rules regarding registration, withdrawal, appealing marks, and most anything else you might need to know can be found on the university’s website, here: [http://calendar.carleton.ca/undergrad/regulations/academicregulationsoftheuniversity/](http://calendar.carleton.ca/undergrad/regulations/academicregulationsoftheuniversity/)

Requests for Academic Accommodations

Academic Accommodations for Students with Disabilities

The Paul Menton Centre for Students with Disabilities (PMC) provides services to students with Learning Disabilities (LD), psychiatric/mental health disabilities, Attention Deficit Hyperactivity Disorder (ADHD), Autism Spectrum Disorders (ASD), chronic medical conditions, and impairments in mobility, hearing, and vision. If you have a disability requiring academic accommodations in this course, please contact PMC at 613-520-6608 or pmc@carleton.ca for a formal evaluation. If you are already registered with the PMC, contact your PMC coordinator to send me your Letter of Accommodation at the beginning of the term, and no later than two weeks before the first in-class scheduled test or exam requiring accommodation (if applicable). After requesting accommodation from PMC, meet with me to ensure accommodation arrangements are
made. Please consult the PMC website for the deadline to request accommodations for the formally-scheduled exam (if applicable).
- -  The deadlines for contacting the Paul Menton Centre regarding accommodation for final exams for the December 2014 exam period November 6, 2015 and for the April 2016 exam period is March 6, 2016.

For Religious Obligations:
Students requesting academic accommodation on the basis of religious obligation should make a formal, written request to their instructors for alternate dates and/or means of satisfying academic requirements. Such requests should be made during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist, but no later than two weeks before the compulsory event. Accommodation is to be worked out directly and on an individual basis between the student and the instructor(s) involved. Instructors will make accommodations in a way that avoids academic disadvantage to the student. Students or instructors who have questions or want to confirm accommodation eligibility of a religious event or practice may refer to the Equity Services website for a list of holy days and Carleton's Academic Accommodation policies, or may contact an Equity Services Advisor in the Equity Services Department for assistance.

For Pregnancy:
Pregnant students requiring academic accommodations are encouraged to contact an Equity Advisor in Equity Services to complete a letter of accommodation. The student must then make an appointment to discuss her needs with the instructor at least two weeks prior to the first academic event in which it is anticipated the accommodation will be required.

Academic Integrity
Violations of academic integrity are a serious academic offence. Violations of academic integrity – presenting another’s ideas, arguments, words or images as your own, using unauthorized material, misrepresentation, fabricating or misrepresenting research data, unauthorized cooperation or collaboration or completing work for another student – weaken the quality of the degree and will not be tolerated. Penalties may include expulsion; suspension from all studies at Carleton; suspension from full-time studies; a refusal of permission to continue or to register in a specific degree program; academic probation; and a grade of Failure in the course, amongst others. Students are expected to familiarize themselves with and follow the Carleton University Student Academic Integrity Policy which is available, along with resources for compliance at http://www2.carleton.ca/sasc/advisingcentre/academic-integrity/.

Assistance for Students:
Student Academic Success Centre (SASC): www.carleton.ca/sasc
Writing Tutorial Services: http://www1.carleton.ca/sasc/writing-tutorial-service/
Peer Assisted Study Sessions (PASS): www.carleton.ca/sasc/peer-assisted-study-sessions
Sprott Student Services
The Sprott student services office, located in 710 Dunton Tower, offers academic advising, study skills advising, and overall academic success support. If you’re having a difficult time with this course or others, or just need some guidance on how to successfully complete your Sprott degree, please drop in any weekday between 8:30am and 4:30pm. Our advisors are happy to discuss grades, course selection, tutoring, concentrations, and will ensure that you get connected with the resources you need to succeed! http://sprott.carleton.ca/students/undergraduate/support-services/
Be in the know with what’s happening at Sprott: Follow @SprottStudents and find us on Facebook SprottStudents Sprott.

Important Information:
- Students must always retain a hard copy of all work that is submitted.
- All final grades are subject to the Dean’s approval.
- Please note that you will be able to link your CONNECT (MyCarleton) account to other non-CONNECT accounts and receive emails from us. However, for us to respond to your emails, we need to see your full name, CU ID, and the email must be written from your valid CONNECT address. Therefore, it would be easier to respond to your inquiries if you would send all email from your connect account. If you do not have or have yet to activate this account, you may wish to do so by visiting https://portal.carleton.ca/

Important Dates and Deadlines – Winter 2016

December 25 to January 3
University closed

January 4
University reopens

January 6
Winter-term classes begin.

January 19
Last day for registration for winter term courses.
Last day to change courses or sections (including auditing) for winter term courses.
Students who have not deposited (via automated upload) the final copy of their thesis to the office of the Faculty of Graduate and Postdoctoral Affairs must register.

January 31
Last day for a fee adjustment when withdrawing from Winter term courses or the Winter portion of two-term courses. Withdrawals after this date will create no financial change to Winter term fees (financial withdrawal).

February 12
April examination schedule available online.
February 12-20
Fall-term deferred examinations will be held.

February 15
Statutory holiday, University closed.

February 15-19
Winter Break. Classes are suspended.

March 1
Last day for UHIP refund applications for International Students who will be graduating this academic year.
Last day for receipt of applications from potential spring (June) graduates.

March 6
Last day to submit Formal Examination Accommodation Forms to the Paul Menton Centre for Students with Disabilities for April examinations.

March 24
Last day to pay any remaining balance on your Student Account to avoid a hold on access to marks through Carleton Central and the release of transcripts and other official documents. An account balance may delay Summer 2016 course selection.

Last day for tests or examinations in courses below the 4000-level before the final examination period (see Examination Regulations in the Academic Regulations of the University section of this Calendar).

March 25
Statutory holiday, University closed.

April 1, 2016
Last day for receipt of applications for admission to an undergraduate program for the fall/winter session, from candidates whose documents originate outside Canada or the United States, except for applications due February 1 or March 1.

April 8
Winter term ends.
Last day of fall/winter and winter-term classes.
Last day for academic withdrawal from fall/winter and winter term courses.
Last day for handing in term work and the last day that can be specified by a course instructor as a due date for term work for fall/winter and winter-term courses.

April 9-10
No classes or examinations take place
April 11-23
Final examinations in winter term and fall/winter courses may be held. Examinations are normally held all 7 days of the week.

April 15, 2016
Winter Co-op Work Term Reports are due.

April 23, 2016
All take home examinations are due on this day.

June 6-16
Fall/winter and winter term deferred final examinations will be held.