



BUSI 3005 A & B - Taxation I Fall 2016

COURSE OUTLINE

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<i>Office Hours</i>	Wednesdays 1-2pm And by appointment (please don't hesitate to ask!)	By appointment
<i>Class Time and Location</i>	Section A Wednesdays 2:35-5:25pm, TBD	Section B Wednesdays 11:35am-2:25pm TBD

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 (CHEAPER) and
 - **Carleton Bookstore** – University Centre

“Introduction to Federal Income Taxation in Canada 37th edition with Student Study Guide, Beam, Laiken and Barnett, 2016”
- A copy of the Income Tax Act, 2016, available:
 - **Online** (note that it does not include supplementary notes) (FREE)
 - **At the Carleton Bookstore** – University Centre

“Ernst & Young’s Federal Income Tax Act 2016 (14th) Student Edition”
- Coursepack, available:
 - Soft copy on **cuLearn** (for those wishing to print it themselves, or will bring a laptop to class)
 - Hard copy at **Black Squirrel Bookstore – 1073 Bank Street (near Sunnyside)**
 - PLEASE COME TO CLASS PREPARED WITH EITHER A HARD COPY, OR SOFT COPY ACCESSIBLE ON A REASONABLE DEVICE (NOT YOUR PHONE)
- Course website on cuLearn: <http://www.carleton.ca/culearn>
 - Assignments
 - Additional material

Supplemental:

-Textbook (on reserve in Library)

Canadian Tax Principles, 2016-17 Edition, Byrd & Chen, 2016

-Websites:

Canada Revenue Agency

www.cra.gc.ca

Income Tax Act on the Department of Justice Canada website:

<http://laws-lois.justice.gc.ca/eng/acts/l-3.3/page-1.html>

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

Group Assignments (4)	40%
Midterm – 90 minutes (in class November 2) (Ch 1-6, 14)	20%
Final Exam – 3 hours (during formal final exam period)	40%
	<u>100%</u>

Group Assignments

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

Assignment #	Chapter Coverage	Due Date
1	1, 2, 14	Sep 28
2	3, 4	Oct 19
3	5, 6, 7	Nov 16
4	NALT & ATT*, 8, 9, 10	Dec 7

* 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 within the same Section. 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 60% 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 (Dec 10 - 22). 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. We will do my best to make the class of value to you, and in turn, we 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 us 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 we 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 our 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).

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 below, as well as any in-class announcements to know what is expected from you at each class.

Stay on Top of the Work

Work Expected Each Week	Estimated Time (Minutes)
BEFORE CLASS	
Review learning objectives for chapter	10
Read chapter(s) for next class (see course schedule)	90
Try example problems from chapter for next class	30
Read slides for next class	20
Note down any questions you have for class	10
IN CLASS - attend class as active participant/learner	180
AFTER CLASS	
Try some review/exercise problems from Chapter	100
Work on assignment	100
	~540
	~9

minutes/week

hours/week

Course Schedule (note: this is a planned schedule only; deviations may occur)

MONTH	DATE	EXPECTED CLASS COVERAGE	REQUIRED READINGS	ASSIGNMENT COVERAGE
SEP	7	Introduction to Course; Begin Chapter 1	-Course Outline; -Roadmap; -Course Objectives -Chapter 1 (exception: 1400 - Introduction to GST/HST) -Chapter 10 (even if you don't understand everything yet...)	Assignment 1 Chap 1, 2, 14 Due Sep 28
	14	Chapter 2 - Liability for Tax Chapter 14 - Rights and Obligations	-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)	
	21	Chapter 3 - Employment Income	-Chapter 3 (exception: 3500 - GST/HST Rebate on Employee Deductions). -Review Example 3-14 in detail. -IT470R and ITTN40. -10015 (in Chapter 10); review example 10-1	Assignment 2 Chap 3, 4 Due Oct 19
	28			
OCT	5	Chapter 4 - Business Income	-Chapter 4 (exception: 4400 onwards - GST/HST Impact on Business Activity). -Review Example Problem 4-7 in detail	
	12	Chapter 4 - Business Income (cont'd) Chapter 5 - CCA & CEC	-Chapter 5 (exception: 5400 - Capital Personal Property and the input credit system under GST/HST)	Assignment 3 Ch 5, 6, 7 Due Nov 16

	19	Chapter 6 & 13 - Property Income	-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	
	26	Reading Week		
NOV	2	Midterm		
	9	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	
	16	Chapter 6 & 7 (NALT & ATTR) Chapter 9 - Other Income & Deductions	-Sections 6070 - 6120 and 7400 (skimmed in previous weeks) -Chapter 9	Assignment 4 Chap 8, 9, 10 & NALT (6/7) Due Dec 7
	23	Chapter 9 - Other Income & Deductions Chapter 10 - Computation of Taxable	-Chapter 9	
	30	Chapter 10 - Computation of Taxable	-Read Chapter 10 again, this time, with an ability to understand it better	
DEC	7	Income and Taxes Payable -and review (if we have time)		

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/>

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 2016 exam period is November 11, 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 co-operation 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://carleton.ca/studentaffairs/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/>
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Important Dates and Deadlines

September 5

Statutory holiday. University closed.

September 6

Academic orientation (undergraduate and graduate).

Orientation for Teaching Assistants.

All students are expected to be on campus. Class and laboratory preparations, departmental introductions for students and other academic preparation activities will be held.

September 7

Fall term begins.

Fall and fall/winter classes begin.

September 20

Last day of registration for fall term and fall/winter courses.

Last day to change courses or sections (including auditing) for fall/winter and fall term courses.

Graduate students who have not electronically submitted their final thesis copy to the Faculty of Graduate and Postdoctoral Affairs will not be eligible to graduate in Fall 2016 and must register for the fall 2016 term.

September 23-25

Summer deferred final examinations held.

September 30

Last day to withdraw from fall term and fall/winter courses with a full [fee adjustment](#) (financial withdrawal). Withdrawals after this date will create no financial change to Fall term fees.

October 7

December examination schedule (fall term final and fall/winter mid-terms) available online.

October 10

Statutory holiday. University closed.

October 15

Last day for receipt of applications for admission to an undergraduate degree program for the winter term from applicants whose documents originate from outside Canada or the United States.

October 24-28

Fall break. Classes are suspended.

November 1

Application deadline to study at another institution on a letter of permission for the winter term.

November 11

Last day to request formal exam accommodations for December examinations to the Paul Menton Centre for Students with Disabilities. Late requests will be considered on case-by-case basis.

November 15

Last day for receipt of applications for admission to an undergraduate degree program for the winter term.

November 25

Winter Payment Deadline. Click [here](#) for important payment information. [Late charges](#) may be applied to the student account any time after this date.

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 the Undergraduate Calendar).

December 1

Last day for receipt of applications from potential winter (February) graduates.

Last day for submission to the thesis supervisor of Master's or Ph.D. theses for winter graduation.

December 9

Fall term ends.

Last day of fall-term classes.

Classes follow a Monday schedule.

Last day for academic withdrawal from fall 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 term courses.

Last day for receipt of applications for undergraduate degree program transfers for winter term.

Last day to pay any remaining [fall tuition fees](#) to avoid a hold on access to marks through Carleton Central and the release of transcripts and other official documents.

December 10 – 22

Final examinations in fall term courses and mid-term examinations in fall/winter courses may be held. Examinations are normally held all seven days of the week.

December 22

All take home examinations are due.

December 25 to January 1

University closed