



**BUSI 3005 C
Taxation I
Winter 2015**

COURSE OUTLINE

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<i>Office Hours</i>	Tuesdays 4:30-5:30pm Wednesdays 2:30-3:30pm And by appointment
<i>Class Time and Location</i>	Tuesdays; 6-9pm; TB 238

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 35th edition
with Student Study Guide, Beam, Laiken and Barnett, 2014
- A copy of the Income Tax Act, 2014 (**available at Haven Books**)
 - Federal Income Tax Act, 12th ed., CPA, 2014 (FITA)
OR
 - Canadian Income Tax Act with Regulations, 97th ed., CCH, Autumn 2014 (CITA)
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
 - Some participation point opportunities
 - Additional material

Supplemental:

- Textbook (on reserve in Library)
Canadian Tax Principles, 2014-15 Edition, Byrd & Chen, 2014
- 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

Participation	10%
Assignments (4)	40%
Midterm – 80 minutes (in class February 24th)	15%
Final Exam – 3 hours (during formal final exam period)	<u>35%</u>
	<u>100%</u>

Participation

Participation marks are earned by accumulating “participation points” as they become available throughout the semester. Opportunities to accumulate participation points may be offered for such things as: attendance, online quizzes, participating in other activities as announced, etc. Participation points awarded may also differ by activity. I will always make known to you the amount of points available for a particular activity.

The final 10% grade will be determined by the number of points you’ve accumulated compared to a benchmark of 500 points.

Assignments

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

Assignment #	Chapter Coverage	Due Date
1	1, 2, 14	Jan 27
2	3, 4	Feb 10
3	5, 6, 7	Mar 10
4	8, NALT & ATT*, 9, 10	Apr 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. Assignments done individually will NOT be accepted. 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 (December 10-21). 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 (notwithstanding earning participation points for being here). 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. On that 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 incredibly distracting to me and the other students in the class. Talking to the class a whole, though, 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, you are not as good a multitasker as you 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 Your Work

Work Expected Each Week	Estimated Time (Minutes)
BEFORE CLASS	
Review learning objectives for chapter	10
Read chapter(s) for next class (see calendar)	80
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	90
Work on assignment	90
Work through any homework/participation points	30
	~540 minutes/week
	~9 hours/week

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

MONTH	DATE	EXPECTED CLASS COVERAGE	REQUIRED READINGS	ASSIGNMENT COVERAGE
JAN	6	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 Due Jan 27th
	13	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)	
	20	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 Due Feb 10th
	27			
FEB	3	Chapter 4 - Business Income	-Chapter 4 (exception: 4400 onwards - GST/HST Impact on Business Activity). -Review Example Problem 4-7 in detail	
	10	Chapter 5 - CCA & CEC (cont'd)	-Chapter 5 (exception: 5400 - Capital Personal Property and the input credit system under GST/HST)	Assignment 3 Due Mar 10th
	17	Reading Week	-Study	
	24	Midterm (Ch 1-5, 14) 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	
MAR	3	Chapter 6 - Property Income (cont'd) Chapter 7 - Capital Gains/Losses	-Chapter 7 (you can skim section 7400 - will do in detail later; exception: 7500 & 7600)	
	10	Chapter 8 - Capital Gains/Losses Chapter 6 & 7 (NALT & ATTR)	-Chapter 8 -Sections 6070 - 6120 and 7400 (skimmed in previous weeks)	Assignment 4 Due Apr 7th
	17	Chapter 9 - Other Income & Deductions	-Chapter 9	
	24	Chapter 10 - Computation of Taxable Income and Taxes Payable	-Read Chapter 10 again, this time, with an ability to understand it better	
	31			
APR	7	Review/Catch up	-Catch up on any readings missed	

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 2014 exam period is November 7, 2014 and for the April 2015 exam period is March 6, 2015.

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://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

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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