



Carleton
UNIVERSITY

SPROTT
SCHOOL OF BUSINESS

BUSI 3005 C - Taxation I
Winter 2020

COURSE OUTLINE

<i>Instructor</i>	Michael Hidden, CPA, CA
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<i>Class Time</i>	Section C Wednesdays, 6:05pm-8:55pm
<i>Office Hours</i>	Wednesdays, 9:00pm-10:00pm And by appointment

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:
 - **Carleton Bookstore** – University Centre

“Introduction to Federal Income Taxation in Canada 40th edition with Student Study Guide, Beam, Laiken and Barnett, 2019” (ISBN: 9781773790374)
- Coursepack, available:
 - Soft copy on **cuLearn** (if printing yourself or bringing a laptop to class)
 - 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)

“Introduction to Federal Income Taxation in Canada 40th edition with Student Study Guide, Beam, Laiken and Barnett, 2019” (ISBN: 9781773790374)
- Websites:
 - Canada Revenue Agency: <https://www.canada.ca/en/revenue-agency.html>
 - Income Tax Act on the Department of Justice Canada website: <http://laws-lois.justice.gc.ca/eng/acts/I-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

Individual assignments	37.5%
Midterm – 90 minutes (in-class March 4, 2020)	20%
Final exam – 3 hours (during formal exam period)	<u>42.5%</u>
	<u>100%</u>

Individual assignments

The assignments will be due **on cuLearn by 11:59pm on the following dates:**

Assignment #	Chapter Coverage	Due Date	% of Grade
1	1, 2, 14	Jan 28	7.5%
2	3, 4, 5	Feb 25	10%
3	6, 7, 8, NALT & ATT	Mar 24	10%
4	9, 10	Apr 7	10%

* NALT & ATT: Non-Arm's Length Transactions and Attribution Rules (ch. 6 & 7)
The assignments are to be done individually. 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: The only valid excuse for missing the mid-term is for medical reasons or death in the family and must be documented with a medical certificate. Any other reason (such as travel, etc...) will not be considered. In such circumstances the make-up mid-term will be held on Monday March 9 from 7:00pm – 08:30pm. If you miss the make-up midterm for any reason, your grade on the mid-term will be zero.

The final examination will be held in the regular examination period (Apr 13-25). 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. 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 no later than seven calendar days following the date the assignments/tests were handed back.

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. 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.

MONTH	DATE	EXPECTED CLASS COVERAGE	REQUIRED READINGS	ASSIGNMENT COVERAGE
JAN	8	Course Overview Chapter 1 - Introduction	- Course Outline - Course Objectives - Chapter 1	Assignment 1 Ch. 1, 2, 14 Due Jan 28
	15	Chapter 2 - Liability for Tax Chapter 14 - Rights and Obligations	- Chapter 2 - Liability for Tax (exception: 2025 - 2025.30) - Chapter 14 - Rights and Obligations (exception: advanced content "A")	
	22	Chapter 3 - Employment Income	- Chapter 3 (exception: advanced content "A") - S2-F3-C2 Folio on Benefits & Allowances	Assignment 2 Ch. 3, 4, 5 Due Feb 25
	29			
FEB	5	Chapter 4 - Business Income	- Chapter 4 (exception: advanced content "A") - Review Example Problem 4-7 in detail	
	12	Chapter 5 - CCA	- Chapter 5 - S3-F4-C1 Folio on CCA	
	19	READING WEEK		
	26	Chapter 6 & 13 - Property Income	- Chapter 6 (exception: 6100-6190 - attribution. Will do later) - Chapter 13 (Sections 13070, 13075 and 13080 <u>only</u>)	
MAR	4	Midterm Chapter 7 - Capital Gains/Losses	- Chapter 7 (exceptions: 7200-7290 - NALT & ATTR. Will do later. Advanced content "A")	Assignment 3 Ch. 6, 13, 7, 8 Due Mar 24
	11	Chapter 8 - Capital Gains/Losses Chapter 6 & 7 (NALT & ATTR)	- Chapter 8 - Sections 6100 - 6190, 7200-7290	
	18	Chapter 9 - Other Income & Deductions	- Chapter 9 - Chapter 10 (start)	Assignment 4 Ch. 9, 10 Due Apr 7
	25			
APR	1	Chapter 10 - Computation of Taxable Income and Taxes Payable	- Chapter 10 (finish)	

ADDITIONAL INFORMATION

Course Sharing Websites

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).

Required calculator in BUSI course examinations

If you are purchasing a calculator, we recommend any one of the following options: Texas Instruments BA II Plus (including Pro Model), Hewlett Packard HP 12C (including Platinum model), Staples Financial Calculator, Sharp EL-738C & Hewlett Packard HP 10bII

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			

Grades entered by Registrar:

WDN = Withdrawn from the course

DEF = Deferred

Academic Regulations

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 Accommodation

You may need special arrangements to meet your academic obligations during the term. For an accommodation request, the processes are as follows:

Pregnancy obligation

Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details, visit the Equity Services website: carleton.ca/equity/wp-content/uploads/Student-Guide-to-Academic-Accommodation.pdf

Religious obligation

Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details, visit the Equity Services website: carleton.ca/equity/wp-content/uploads/Student-Guide-to-Academic-Accommodation.pdf

Academic Accommodations for Students with Disabilities

If you have a documented disability requiring academic accommodations in this course, please contact the Paul Menton Centre for Students with Disabilities (PMC) at 613-520-6608 or pmc@carleton.ca for a formal evaluation or contact your PMC coordinator to send your instructor your Letter of Accommodation at the beginning of the term. You must also contact the PMC 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 your instructor as soon as possible to ensure accommodation arrangements are made. carleton.ca/pmc

Survivors of Sexual Violence

As a community, Carleton University is committed to maintaining a positive learning, working and living environment where sexual violence will not be tolerated, and its survivors are supported through academic accommodations as per Carleton's Sexual Violence Policy. For more information about the services available at the university and to obtain information about sexual violence and/or support, visit: carleton.ca/sexual-violence-support

Accommodation for Student Activities

Carleton University recognizes the substantial benefits, both to the individual student and for the university, that result from a student participating in activities beyond the classroom experience. Reasonable accommodation must be provided to students who compete or perform at the national or international level. Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. <https://carleton.ca/senate/wp-content/uploads/Accommodation-for-Student-Activities-1.pdf>

For more information on academic accommodation, please contact the departmental administrator or visit: students.carleton.ca/course-outline

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; a grade of Failure on the submitted work and/or course; academic probation; a refusal of permission to continue or to register in a specific degree program; suspension from full-time studies; suspension from all studies at Carleton; expulsion from Carleton, 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: <https://carleton.ca/registrar/academic-integrity/>.

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 are 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/learning-support/>

Centre for Student Academic Support

The Centre for Student Academic Support (CSAS) is a centralized collection of learning support services designed to help students achieve their goals and improve their learning both inside and outside the classroom. CSAS offers academic assistance with course content, academic writing and skills development. Visit CSAS on the 4th floor of MacOdrum Library or online at: carleton.ca/csas.

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.
 - 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 CARLETON address. Therefore, in order to respond to your inquiries, please send all email from your Carleton CMail account. If you do not have or have yet to activate this account, you may wish to do so by visiting <http://carleton.ca/ccs/students/>
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