Principles of Tax Law

The course introduces students to the principles of tax law in Australia with a focus on income tax. The important provisions of the *Income Tax Assessment Acts* 1936 and 1997 about the concepts of income, capital gains, and deductions are considered in detail. Other topics include international aspects of income tax, tax treatment of different entities, tax planning and goods and services tax.

**Course URL**

**Mode of Delivery**
On campus, blended

**Prerequisites**
BUSN1101, or both LAWS1204 and LAWS1201

**Incompatible Courses**
LAWS4221 or LAWS2221

**Course Convenor**
Associate Professor Alfred Tran

**Phone**
+61 2 6125 5118

**Email**
Alfred.Tran@anu.edu.au

**Office**
CBE Building 26C, Room 3.31

**Research Interests**
How taxes affect business strategy; international tax planning; relation between tax law and accounting rules; tax compliance

**Office hours for student consultation**
To be announced on the Wattle course site
<table>
<thead>
<tr>
<th>Tutors</th>
<th>To be announced on the <a href="https://wattle.anu.edu.au">Wattle</a> course site</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Student Administration</strong></td>
<td>Room 2037 Hanna Neumann Building 21&lt;br&gt;<a href="mailto:enquiries.rsa@anu.edu.au">enquiries.rsa@anu.edu.au</a>&lt;br&gt;6125 0025 or 6125 7968&lt;br&gt;Office Hours: Monday-Friday 9-5 pm</td>
</tr>
</tbody>
</table>

**SEMESTER 1**

2017
COURSE OVERVIEW

Learning Outcomes
On satisfying the requirements for this course, students should be able to:
1. recognise situations that have income tax and GST implications under Australian law;
2. understand the principles and rules relating to the determination of income tax and GST (including tax avoidance provisions) as it operates in relation to individuals and other entities;
3. apply the tax law principles learnt to specific factual situations;
4. calculate income tax liability and GST liability;
5. discuss, analyse and draw conclusions in relation to the various tax issues considered, in a clear and concise manner, using statutory provisions and case authorities in support.

Assessment Summary

<table>
<thead>
<tr>
<th>Assessment Task</th>
<th>Value</th>
<th>Due Date</th>
<th>Date for Return of Assessment</th>
<th>Linked Learning Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Five tutorial quizzes (five multiple choice questions in each quiz)</td>
<td>10%</td>
<td>Last 10 minutes at the end of tutorials in Weeks 3, 6, 8, 10 and 12</td>
<td>The following tutorial</td>
<td>Learning outcomes 1 to 4</td>
</tr>
<tr>
<td>2. Mid-semester take-home examination</td>
<td>30%</td>
<td>4pm, Friday, 31 March 2017</td>
<td>The following tutorial</td>
<td>Learning outcomes 1 to 5</td>
</tr>
<tr>
<td>3. Final examination</td>
<td>60%</td>
<td>Semester 1 examination period in June</td>
<td>Examination scripts viewing sessions will be organised by the Office of Research School of Accounting</td>
<td>Learning outcomes 1 to 5</td>
</tr>
</tbody>
</table>

Research-Led Teaching
Lectures and illustrative examples in this course are informed by the research findings of the lecturer. Tutorial problems and assessment tasks require students to research for the relevant statutory provisions and case law and apply them to hypothetical situations.

Feedback

Staff Feedback
Students will be given feedback in the following forms in this course:
1. Return of quiz papers with marks in the following tutorial, and provision of quiz solutions on the Wattle course site;
2. Return of mid-semester take-home exam with marks and written comments in the following tutorial, (and verbal comments during consultation time if necessary) and feedback on overall performance to the whole class;
3. Indications of errors, marks, and brief written comments on the final exam script book.
Student Feedback

ANU is committed to the demonstration of educational excellence and regularly seeks feedback from students. One of the key formal ways students have to provide feedback is through Student Experience of Learning Support (SELS) surveys. The feedback given in these surveys is anonymous and provides the Colleges, University Education Committee and Academic Board with opportunities to recognise excellent teaching, and opportunities for improvement.

For more information on student surveys at ANU and reports on the feedback provided on ANU courses, go to:

http://unistats.anu.edu.au/surveys/selt/students/ and
http://unistats.anu.edu.au/surveys/selt/results/learning/

Policies

ANU has educational policies, procedures and guidelines, which are designed to ensure that staff and students are aware of the University’s academic standards, and implement them. You can find the University’s education policies and an explanatory glossary at: http://policies.anu.edu.au/

Students are expected to have read the Academic Misconduct Rule before the commencement of their course.

Other key policies include:

- Student Assessment (Coursework) Policy
- Student Assessment (Coursework) Procedure
- Student Surveys and Evaluations
- Copyright (http://copyright.anu.edu.au/)

READING LISTS

Prescribed Text


References

1. Other textbooks include:

2. Practitioner guidebooks:

4. Legislation:

5. Casebooks:

Please note that the *Australian Master Tax Guide* (MTG), tax legislation, tax cases and tax rulings are all available on the web.


Up-to-date tax legislation can also be downloaded from the ComLaw website (http://www.comlaw.gov.au/).

A commercial electronic tax library CCH Intelliconnect (which includes MTG) is available at the ANU Library website (https://anulib.anu.edu.au) under “E-resources & databases” (click “C”, then click CCH Intelliconnect, then click ‘+’ next to “Tax” on the left panel). You can find tax legislation, tax cases, tax rulings, practitioner guidebook (Australian Premium Master Tax Guide) and detailed commentary in this commercial electronic tax library.
## COURSE SCHEDULE

<table>
<thead>
<tr>
<th>Week [No.] beginning</th>
<th>Lecture Topic</th>
<th>Readings (Sadiq et al.)</th>
<th>Tutorial topic (Tutorial questions are on the Wattle)</th>
<th>Assessment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 20 Feb</td>
<td>Income</td>
<td>Chapters 5, 6, 8, 9, 10</td>
<td>No tutorial</td>
<td>None</td>
</tr>
<tr>
<td>2 27 Feb</td>
<td>Deductions</td>
<td>Chapters 12, 13</td>
<td>Income</td>
<td>None</td>
</tr>
<tr>
<td>3 6 Mar</td>
<td>Deductions</td>
<td>Chapter 11</td>
<td>Deductions</td>
<td>Tutorial quiz 1</td>
</tr>
<tr>
<td></td>
<td>Capital gains tax</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 13 Mar</td>
<td>Capital gains tax</td>
<td>Chapter 11</td>
<td>Capital gains tax (1)</td>
<td>None</td>
</tr>
<tr>
<td>5 20 Mar</td>
<td>Capital allowances</td>
<td>Chapter 14</td>
<td>Capital gains tax (2)</td>
<td>None</td>
</tr>
<tr>
<td>6 27 Mar</td>
<td>Tax accounting; tax computation; tax offsets; Medicare levy</td>
<td>Chapters 16, 17, 15</td>
<td>Capital allowances</td>
<td>Tutorial quiz 2; Take-home exam due 4pm, Friday, 31 March</td>
</tr>
<tr>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>Mid semester teaching break – Monday 3 April to Friday 14 April</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7 17 Apr</td>
<td>International aspects of income tax</td>
<td>Chapters 4, 22</td>
<td>Tax accounting; tax computation; tax offsets; Medicare levy</td>
<td>None</td>
</tr>
<tr>
<td></td>
<td>Public Holiday: Monday 17 Apr</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8 24 Apr</td>
<td>Partnership</td>
<td>Chapter 19</td>
<td>International aspects of income tax</td>
<td>Tutorial quiz 3</td>
</tr>
<tr>
<td>9 1 May</td>
<td>Trust</td>
<td>Chapter 20</td>
<td>Partnership</td>
<td>None</td>
</tr>
<tr>
<td>10 8 May</td>
<td>Company and dividend imputation</td>
<td>Chapter 21</td>
<td>Trust</td>
<td>Tutorial quiz 4</td>
</tr>
<tr>
<td>11 15 May</td>
<td>Tax planning</td>
<td>Chapter 23</td>
<td>Company and dividend imputation</td>
<td>None</td>
</tr>
<tr>
<td>12 22 May</td>
<td>Goods and services tax (Tutorial questions are discussed in the lectures as examples)</td>
<td>Chapter 25</td>
<td>Tax planning</td>
<td>Tutorial quiz 5</td>
</tr>
</tbody>
</table>

Semester 1 examination period – Thursday 1 June to Saturday 17 June
ASSESSMENT REQUIREMENTS

The ANU is using Turnitin to enhance student citation and referencing techniques, and to assess assignment submissions as a component of the University’s approach to managing Academic Integrity. For additional information regarding Turnitin please visit the ANU Online website.

Students may choose not to submit assessment items through Turnitin. In this instance you will be required to submit, alongside the assessment item itself, copies of all references included in the assessment item.

Assessment Task 1: Tutorial Quizzes (10%)

Details of task: There will be a tutorial quiz in the last 10 minutes of the five tutorials in Week 3 (covering ‘income’ and ‘deductions’), Week 6 (covering ‘capital gain tax’ and ‘capital allowances’), Week 8 (covering ‘tax accounting/computation’ and ‘international aspects’), Week 10 (covering ‘partnership’ and ‘trust’), and Week 12 (covering ‘company’ and ‘tax planning’). Each tutorial quiz consists of five multiple choice questions with four choices each. Two marks are awarded for a correct answer, and zero marks for an incorrect answer, to each question. The maximum score per quiz is 10, and the maximum total score over five quizzes is 50.

Rules for tutorial quizzes:

- The quizzes are open book examinations: you may refer to books and notes, but cannot use any electronic devices other than a non-programmable calculator.
- Examination conditions apply during the quiz: you are not allowed to communicate with each other in any form.
- You cannot share calculator and stationery with others – each student must bring their own calculator and stationery.
- You are not allowed to look around at others’ work.
- Failing to observe these rules will be regarded as misconduct in examination, and will receive a zero mark for the quiz.
- The tutor may ask you to move to another seat, if necessary.
- Make sure that only one alphabet (A or B or…) is clearly written in the answer box.
- The tutor will keep a record of tutorial attendance, and will control the number of quiz papers issued and returned for each tutorial class.

If you miss a tutorial quiz for a good reason (e.g., due to illness – a medical certificate may be required), please attend another tutorial in the same week, inform the tutor of your presence, and attempt the quiz. As a last resort, make an appointment with your tutor for a make-up quiz in her or his office by the earlier of 5pm Tuesday and the first tutorial of the following week.

Assessment Task 2: Mid-Semester Take-home Examination (30%)

The mid-semester take-home examination will be held in Week 6, covering materials up to and including ‘capital allowances’. Your answer to each exam question should be no longer than two word-processed pages, using 12-point font and 1.5-line spacing. This examination is worth 30% of the assessment.
The take-home exam is due for submission in **hard copy** to the **Research School of Accounting Office** (HN 2037) at **4pm on Friday, 31 March 2017**. Please attach a front coversheet and include your tutor’s name and tutorial time. As it is a take-home exam, **no extension will be granted**.

If you plan to be away on the due date (evidence required), please **email** your submission, including a coversheet, to **Alfred.Tran@anu.edu.au** by the due date and time.

Please keep a copy of the tasks completed for your records.

**Assessment Task 3: Final Examination (60%)**

The final examination will be held in the semester 1 examination period in June, covering all lecture topics. This 3-hour examination is open book and is worth 60% of the assessment. The examination date, time and venue will be scheduled by the Examinations Office.

**Extensions and penalties**

In cases where student end users are asked to submit ‘content’ to a database, such as an assignment or short answers, the database licensor may only use the student’s ‘content’ in accordance with the terms of service – including any (copyright) licence the student grants to the database licensor. Extensions and late submission of assessment pieces are covered by the **Student Assessment (Coursework) Policy and Procedure**.

The Course Convenor may grant extensions for assessment pieces that are **not examinations or take-home examinations**. If you need an extension, you must request in writing on or before the due date if you have documented and appropriate medical evidence that demonstrates you were not able to request an extension on or before the due date, you may be able to request it after the due date.

**Scaling**

Your final mark for the course will be based on the **raw** marks allocated for each of your assessment items. However, your final mark may not be the same number as produced by that formula, as marks may be **scaled**. Any scaling applied will preserve the rank order of raw marks (i.e. if your raw mark exceeds that of another student, then your scaled mark will exceed the scaled mark of that student), and may be either up or down.

**Privacy Notice**

The ANU has made a number of third party, online, databases available for students to use. Use of each online database is conditional on student end users first agreeing to the database licensor’s terms of service and/or privacy policy. Students should read these carefully.

In some cases student end users will be required to register an account with the database licensor and submit personal information, including their: first name; last name; ANU email address; and other information.

In cases where student end users are asked to submit ‘content’ to a database, such as an assignment or short answers, the database licensor may only use the student’s ‘content’ in accordance with the terms of service – including any (copyright) licence the student grants to the database licensor.

Any personal information or content a student submits may be stored by the licensor, potentially offshore, and will be used to process the database service in accordance with the licensors terms of service and/or privacy policy.
If any student chooses not to agree to the database licensor’s terms of service or privacy policy, the student will not be able to access and use the database. In these circumstances students should contact their lecturer to enquire about alternative arrangements that are available.

**TUTORIAL / SEMINAR REGISTRATION**

Tutorial signup for this course will be done via the Wattle website. Detailed information about signup times will be provided on Wattle and during your first lecture. When tutorials are available for enrolment, follow these steps:

1. Log on to [Wattle](#), and go to the course site.
2. Click on the link “Tutorial signup here”
3. On the right of the screen, click on the tab “Become Member of ……” for the tutorial class you wish to enter.
4. Confirm your choice

If you need to change your enrolment, you will be able to do so by clicking on the tab “Leave group…” and then re-enrol in another group. You will not be able to enrol in groups that have reached their maximum number. Please note that enrolment in ISIS must be finalised for you to have access to Wattle.

**SUPPORT FOR STUDENTS**

The University offers a number of support services for students. Information on these is available online from [http://students.anu.edu.au/studentlife/](http://students.anu.edu.au/studentlife/)