



FEB 17 2002

BRITISH COLUMBIA INSTITUTE OF TECHNOLOGY

Course Outline Part A

School of Business
Program: Financial Management
Option: Finance

FMGT 3410
Taxation 1

Hours/Week:	4	Total Hours:	52	Term/Level:	3
Lecture:	2	Total Weeks:	13	Credits:	
Seminar:	2				

Instructor:	Office Phone:	Office Location:
Ralph Gioia B.A., C.A.	451-6841	SE6 318

Prerequisites	FMGT 3410 is a Prerequisite for:								
<table border="0"> <tr> <td>Course No.</td> <td>Course Name:</td> </tr> <tr> <td>FMGT 2100/2105</td> <td>Accounting 2</td> </tr> </table>	Course No.	Course Name:	FMGT 2100/2105	Accounting 2	<table border="0"> <tr> <td>Course No.</td> <td>Course Name</td> </tr> <tr> <td>FMGT 4410</td> <td>Taxation 2</td> </tr> </table>	Course No.	Course Name	FMGT 4410	Taxation 2
Course No.	Course Name:								
FMGT 2100/2105	Accounting 2								
Course No.	Course Name								
FMGT 4410	Taxation 2								

Course Goals

1. Locate and interpret information from the Income Tax Act.
2. Learn, apply and understand the purpose of the basic rules concerning the topics on the lecture outline.
3. Become aware of the possible tax consequences of contemplated and actual business transactions.

Course Description

The course will examine the major income categories and applicable rules; determine who is subject to tax in Canada and the basis on which Canada levies income tax.

Evaluation

Final Examination	40%
Mid-term Exam	40
Quiz 1	5
Quiz 2	10
Seminar Participation	<u>5</u>
TOTAL	100%

Course Outcomes and Sub-Outcomes:

Upon successful completion of this course, the student will be able to:

1. Identify some of the criteria for being a resident of Canada and recognize some of the consequences of residency.
2. Use a variety of sources of tax information.
3. Identify the main sources of income for tax purposes and identify exempt types of income.
4. Recognize the main differences between taxation rules and GAAP when dealing with capital assets, income inclusions and deductions.
5. Calculate CCA and recognize basic tax planning possibilities.

6. Identify some specific kinds of losses and limitations on their deductibility.
7. Recognize and apply the general rules used to determine the valuations used for “cost” and “expenses” for tax purposes.
8. Identify and employ basic tax savings or deferral decisions.

FMGT 3410 Seminars

1. The participation mark will be affected both by your attendance and your contribution during the two-hour seminars. *If your instructor does not approve your absence*, for each absence you will lose the opportunity to earn 2 of the 5 marks allocated for participation.
2. There will be a maximum of 2 quizzes. You will be allowed to use your **Income Tax Act** to answer questions on the quizzes.
3. You will be allowed to use your **Income Tax Act** to answer all exam questions. You may annotate your **Income Tax Act** and it may be “*tabbed*” as indicated by your instructor. *(Each student must have his or her own copy of the Income Tax Act.)*

Course Record

Developed by: Ralph Gioia B.A., C.A. Date: August 30, 1999
Instructor Name and Department (signature)

Revised by: Ralph Gioia B.A., C.A. Date: August 30, 2001
Instructor Name and Department (signature)

Approved by:  Start Date: Sept 2001
Associate Dean/Program Head (signature)

Effective Date

September 2001

Text(s) and Equipment

Required:

1. *Canadian Tax Principles, 2001-2002 Edition, Prentice Hall Canada Inc.*
2. *Canadian Income Tax Act with Regulations*
C.C.H. current edition

Reference/Recommended:

These materials are available within the BCIT Library:

- Interpretation Bulletins
- Information Circulars
- CCH Tax Reporter

Week of	Chapter	Topic: <i>To be read in advance of lecture.</i>	Seminar: Assignment Problems	Week of
Sept.6	1	Introduction to Federal Taxation in Canada	One-1, -3,-8	Sept.10-13
Sept.10, 13	3	Liability for Tax	Three-1, -2, -4, -5, -7, -10	Sept.17-20
Sept. 17, 20, 24	5	Income or Loss from Office or Employment	Five-1, -2, -3, -6, -8	Sept.24-27
Sept.27, Oct. 1, 4	6	Retirement Savings and Other Special Income Arrangements	Six-1, -3, -6, -7 QUIZ 1	Oct. 1-4
Oct.11		Review	Review	Oct.9-11
Oct.15-20		Mid-term Exam: Chapter 1 - 4		
Oct.22, 25, 29	7	Income or Loss From a Business	TBA	Oct.22-25
Nov.1,5, 8	8	Capital Cost Allowance and Cumulative Eligible Capital	TBA	Oct.29-Nov.1
Nov.15, 99, 22	9	Capital Gains and Losses	TBA	Nov.5-8
Nov.26, 29, Dec. 3	10	NAL Transactions, Departures from Canada, Death of a Taxpayer	TBA	Nov.12-15
Dec. 6		Review	TBA QUIZ 2	Nov.19-22
Dec. 10-14		FINAL Exam: Chapters 7, 8,9,10	TBA	Nov.27-Dec.1
			Review	Dec.3-6

This outline may be altered at the discretion of the instructor.