



BRITISH COLUMBIA INSTITUTE OF TECHNOLOGY

School of Business

Program: Financial Management

Option:

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Course Outline **Part A**

FMGT 3410
Taxation 1

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

Prerequisites

FMGT 3410 is a Prerequisite for:

| Course No. | Course Name | Course No. | Course Name |
|----------------|--------------|------------|-------------|
| FMGT 2100/2105 | Accounting 2 | FMGT 4410 | Taxation 2 |

Course Goals

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

Evaluation

| | |
|-----------------------|-------------|
| Final examination | 40% |
| Term examinations | 55% |
| Seminar participation | 5% |
| 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 some sources of tax information.

3. identify the main sources of income as they are affected by taxation and identify exempt types of income.
 4. respect the main differences between taxation rules and GAAP.
 5. apply certain deductions to the relevant income sources.
 6. calculate CCA and realize some of its implications.
 7. identify some specific kinds of losses and limitations on their deductibility.
 8. recognize and apply the valuations of cost for tax purposes.
 9. identify and employ tax savings or deferral decisions.
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Course Record

Developed by: _____
Instructor Name and Department (signature)

Date: _____

Revised by: _____
Instructor Name and Department (signature)

Date: _____

Approved by: _____
Associate Dean / Program Head (signature)

Start Date: _____



BRITISH COLUMBIA INSTITUTE OF TECHNOLOGY

School of Business

Program: Financial Management

Option:

Course Outline **Part B**

FMGT 3410

Taxation 1

Effective Date

September, 1998

Instructor(s)

| | | | | |
|-----------------|-------------|-----|--------|----------|
| Barrie Yackness | Office No.: | 339 | Phone: | 451-6761 |
| Ralph Gioia | Office No.: | 318 | | 451-6841 |
| Alan Cobbett | Office No.: | 341 | | 451-6793 |

Text(s) and Equipment

Required:

Tax Principles to Remember, current edition. C.I.C.A.

Income Tax Act, current edition. C.C.H.

Recommended:

Interpretation Bulletins and Information Circulars

C.C.H. income tax reporter.

Course Notes (Policies and Procedures)

FMGT 3410 does **not** require you to submit written assignments for homework. Consequently, you **are required** to spend a sufficient amount of time each week to:

- read the material **before** it is covered in the lecture.
- study the topics that will be covered in the seminar and answer the seminar questions **before** the seminar date to enable you to better participate in the seminar.

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FMGT 3410 Seminars

1. The participation mark will be affected both by your *attendance* and your *contribution* during the two-hour seminars. You *earn* your seminar mark, to a maximum of 5 marks, with quality contributions. Your earned mark will be *reduced* for non-attendance at seminars.
 - a. If you are absent from the seminars for any reason except sickness (evidenced by a note from your doctor), or for other **unavoidable** circumstances **approved** by your instructor, for each absence you will *lose* the opportunity to earn 1 of the 5 marks allocated for participation.
 - b. You are expected to make relevant contributions to seminar discussions. Your mark will be based on the quantity and quality of your responses. It will, therefore, be in your best interest to be *prepared well* for each class and to *participate often* since the mark given to incorrect or incomplete responses can be improved by good responses in the remainder of the labs. **DO NOT WAIT UNTIL CLOSE TO THE END OF THE COURSE TO PARTICIPATE, YOU MAY BE TOO LATE.**
2. Quizzes will be given at the *beginning* of some seminars. These quizzes will be short and will contain questions pertaining to the material covered since the previous quiz. Each seminar class will be given different quiz questions. If you are absent for the quiz, there is **NO** opportunity for make-up, unless your absence is acceptable as described in 1 (a). You may not attend seminars of any set other than the set you are assigned to, without *prior* permission from your instructor. There will be a maximum of 8 quizzes.
3. Unless otherwise instructed, each two-person group must bring one *Income Tax Act* and one *Tax Principles to Remember, to each seminar*. Otherwise, you will be considered absent and lose marks accordingly.

FMGT 3410 Exams

The exam format may include the following questions styles:

1. short written answers with a maximum of about 3 lines
2. true and false
3. multiple choice, both subjective and numerical
4. problems.

Cheating, Plagiarism and Dishonesty

“Acts of cheating, plagiarism and dishonesty are not tolerated; the degree of punitive action may range from a written warning to withdrawal from the program. These penalties may also be applied to students who knowingly contribute to the act of dishonesty, cheating and plagiarism.” (Refer to page 2 of the current BCIT calendar.)



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Schedule

FMGT 3410

Taxation 1

| Week of/ Number | Chapter | Topic: <i>To Be Read in Advance of Lecture</i> | Seminar | Week |
|----------------------|-----------|----------------------------------------------------|---------|-----------------|
| Sept. 10, 14 | Chapter 1 | Introduction to Income Tax in Canada | 1 | Sept. 21–25 |
| Sept. 17, 21 | Chapter 2 | Residency and Computation of Net Income | 2 | Sept. 28–Oct. 2 |
| Sept. 24, 28, Oct. 1 | Chapter 3 | Employment Income | 3 & 4 | Oct. 5–9 |
| Oct. 5, 8, 15 | Chapter 4 | Other Income | 5 | Oct. 12–16 |
| Oct. 19, 22 | | Mid-term Exam Week, Exam on Chapters 1–4 | | |
| Oct. 26, 29 | Chapter 5 | Income from Business | 6 | Nov. 2–6 |
| Nov. 2, 5 | Chapter 6 | Income from Business | 7 | Nov. 9–13 |
| Nov. 9, 12, 16 | Chapter 7 | Capital Cost Allowance | 8 | Nov. 16–20 |
| Nov. 19, 23, 26 | Chapter 8 | Income from Property | 9 | Nov. 23–27 |
| Nov. 30 | | Review | 10* | Nov. 30–Dec. 2 |

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

* Reviewed in lecture on November 30.