

COURSE OUTLINE

COURSE NAME Tax/Financial Planning

COURSE NUMBER FMGT 3430 DATE January, 1997

Prepared by Marjorie Brown Taught to _____ Year

School Business School _____

Program Financial Management Program _____

Date Prepared April, 1996 Option _____

Term _____ Hrs/Wk 3 Credits _____

No. of Weeks 12 Total Hours 36

Instructor(s) _____ Office _____ Local _____

Office Hours _____

PREREQUISITES

FMGT 1152 Accounting for the Manager (or equivalent)

COURSE OBJECTIVES

Upon successful completion of this course, the student should

1. be able to identify the different sources of income for tax purposes and have a basic understanding of the tax ramifications of receiving such income,
2. be able to distinguish between tax deductible expenses and those that are not tax deductible,
3. have a basic understanding of the tax system (i.e. tax rate integration, filing, requirements, payment requirements, (re)assessments).

EVALUATION

Final Examination	<u>50</u>	%
Mid-Term (1)	<u>50</u>	%

REQUIRED TEXT(S) AND EQUIPMENT

"Tax Principles to Remember" — CICA, current edition

"Canadian Income Tax Act with Regulations" — CCH, current edition (or equivalent)

REFERENCE TEXTS

(Available in the BCIT Library)

Interpretation Bulletins

Information Circulars

CCH Tax Reporter

(Not available in the BCIT Library)

CCH Preparing Your Personal Tax Returns

COURSE SUMMARY

COURSE OUTLINE
(continued)

Week Lecture Number	Material Covered	References
1	Introduction <ul style="list-style-type: none"> • Structure of Income Tax Act • Residency for tax purposes 	Chapters 1 & 2
2	Computation of Employment Income and Other Income <ul style="list-style-type: none"> • Income from employer • Taxable benefits • Non-taxable benefits • Deductions from employment income • Other income and deductions 	Chapters 3 & 4
3	Computation of Other Income <ul style="list-style-type: none"> • Registered Retirement Savings Plan • Interest deductibility 	Chapter 4
4	Computation of Income from a Business <ul style="list-style-type: none"> • Business income vs. Property income • Business income vs. Employment income • Business income vs. Capital gain 	Chapters 5 & 6
5	Capital Cost Allowance Cumulative Eligible Capital <ul style="list-style-type: none"> • Non-arm's length transactions • Capital Cost Allowance 	Chapter 7
6	Mid-Term Exam — Chapters 1-6 Capital Cost Allowance <ul style="list-style-type: none"> • Rental properties • Replacement property rules 	Chapter 7

COURSE OUTLINE
(continued)

Week Lecture Number	Material Covered	References
7	Income from Property <ul style="list-style-type: none"> • Interest accrual • Dividend income • Income attribution • Benefits to shareholders 	Chapter 8
8	Capital Gains; Losses <ul style="list-style-type: none"> • Non arm's length transactions • V-Day values • Superficial losses • Identical properties 	Chapter 9
9	Capital Gains; Losses <ul style="list-style-type: none"> • Capital gains reserves • Principal residences and rental income • Allowable business investments; losses • Sale of Canadian Securities election 	Chapter 10
10	Computation of Taxable Income Computation of Tax for Individuals	Chapters 11, 12 & 13
11	Computation of Tax for Corporations	Chapters 14 & 15
12	Final Exam	