



Course Outline

A POLYTECHNIC INSTITUTION
School of Business
Program: Financial Management

FMGT 4410
Taxation 2

Start Date: January 2004

End Date: May 2004

Course Credits: 3

Term/Level:

Total Hours: 80

3

Total Weeks: 20

Hours/Week: 4

Lecture: 2

Lab:

Shop:

Seminar: 2

Other:

Prerequisites

Prerequisite for:

Course No.	Course Name
FMGT 3410	Taxation 1

Course No.	Course Name
FMGT 4410	Taxation 2

Course Description

The course will follow a conceptual framework based upon the structural elements of the Income Tax Act. The course will include capital gains and losses; net income, taxable income and taxes payable for Canadian taxpayers (*individuals, corporations and trusts*); an introduction to corporate re-organizations; and basic tax planning strategies for a variety of taxpayers.

Evaluation

Midterm Exam	40%
Final Exam	45%
Quizzes	15%
TOTAL	100%

Course Learning Outcomes/Competencies

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

1. Calculate tax payable for individuals, corporations and trusts.
2. Understand some of the basic rules dealing with specialized topics such as an estate freeze, corporate wind-ups and various rollover procedures allowed by the Tax Act.
3. Have an appreciation of basic tax planning strategies such as owner/manager remuneration for Private Corporation's etc.
4. Develop knowledge of the Tax Act, enabling the student to locate, interpret and cite the appropriate tax authority.
5. Prepare basic tax returns for individuals and corporations.

Course Content Verification

I verify that the content of this course outline is current, accurate, and complies with BCIT Policy.

Developed by:	<u>Ralph Gioia B.A.,C.A.</u> Program Head Accounting	Date:	<u>August 24, 2002</u>
Revised by:	<u>Ralph Gioia B.A.,C.A.</u> Program Head Accounting	Date:	<u>December 2003</u>
Approved by:	<u>Tim Edwards</u> Associate Dean	Date:	<u></u>

Instructor(s)

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Learning Resources

Required:

Beam & Laiken Deluxe Package for Students (includes)

- ✓ *Canadian Income Tax Act Current edition*
- ✓ *Introduction to Federal Income Taxation
in Canada 2003-2004 (Beam & Laiken)*
- ✓ *Cantax T-1, T-2 Software*
- ✓ *Student CD with Supplemental Problem sets*

Use of Income Tax Act:

You will be allowed to use your *Income Tax Act* to answer all exams and quiz questions. You may annotate your *Income Tax Act* and it may be “tabbed”, as indicated by below. If you have any questions consult your Instructor.

Example of tab for Act:

Division B Subdivision b Section 3
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Note: Should changes be required to the content of this course outline, students will be given reasonable notice.

STUDENT INFORMATION ON POLICIES AND PROCEDURES

COURSE OUTLINES: This course outline may assist you in the future to receive credit for all or part of a course from another post-secondary institution or from a professional program. It is strongly recommended that this course outline be safely filed for future reference.

EXAMINATIONS: Recently there has been a greater tendency for students to miss scheduled examinations. Students who miss examinations often request that they be allowed to write make-up examinations. This is often unfair to those who wrote the scheduled examination and time-consuming for the instructor who is asked to prepare alternative examinations.

In an effort to be consistent within Financial Management, the Department has adopted the following policy to deal with mid-term and final examinations.

It is imperative that students write examinations on either the scheduled day per the course outline or the date and time as determined by the Registrar during the formal examination periods. Please make a note of the following Departmental policy:

Subject to circumstances outlined below, a student who fails to write an examination on the scheduled date and time will receive a zero on that examination.

Other than in emergency situations, a student must provide his/her instructor with a reason acceptable to the instructor for missing an examination at least 24 hours prior to the scheduled time of the examination. Should such notice be given and should the reason be acceptable to the instructor, the student may, subject to the discretion of the instructor, be permitted to either write an alternative examination or have an agrotat mark established. It is the student's responsibility to contact the instructor by phone, fax, e-mail, etc.

It is impossible to list every acceptable reason. However, for greater certainty, reasons such as being unprepared or having too many other examinations in the same week will not be accepted. Written documentation, i.e., doctor's notes, will be required in all cases of missed examinations.

Instructors are asked to promptly notify the program head or the academic coordinator of any student who misses an examination together with any supporting documentation.

PHOTO IDENTIFICATION: To write exams, students are required to produce photo-identification at examination centres. Photo identification must be placed on the desk before an exam will be issued to the student and must remain in view on the desk while writing the exam for inspection by invigilators. Students should bring a BCIT OneCard or alternatively two pieces of identification, one of which must be government photo I.D. such as a drivers license.

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 a student who knowingly contributes to the act of dishonesty, cheating and plagiarism. (Refer to the current BCIT Calendar.)

Programmable calculators and calculators with alphabetic capability **will not be allowed** in exams. English language dictionaries **will be allowed** in exams provided they are presented to the exam invigilator prior to the exam.

Week	Chapter	Topic: To be read in advance of lecture.
1	8	Capital Gains: including NAL transactions
2	8	More Capital Gains: including NAL transactions
3	9	Other Sources of Income and Deductions in Computing Income
4	9	Other Sources of Income and Deductions in Computing Income
5	10	Computation of Taxable Income and Tax Payable for Individuals
6	10	Computation of Taxable Income and Tax Payable for Individuals
		Quiz 1
7		T1 CASE
8	11	Computation of Taxable Income and Tax After General Reductions for Corporations
9	11	Computation of Taxable Income and Tax After General Reductions for Corporations
10		Mid-term Exam: Chapters 8,9,10,11
11		Spring Break
12	11	T2 CASE
13	12	Integration for Business and Investment Income of the Private Corporation
14	13	Planning the Use of a Corporation and Shareholder-manger remuneration
15	14	Rights and Obligations under the Income Tax Act
16	15	Corporate Distributions, Windings-up and Sales
		Quiz 2
17	16	Income Deferral: Rollover on Transfers to a Corporation
18	17	Income Deferral: Other Rollovers and Use of Rollovers
19		Review
20		Final Exams
21		Final Exams

This outline may be changed at the discretion of the Instructors.