



BRITISH COLUMBIA INSTITUTE OF TECHNOLOGY

Course Outline **Part A**

School of Business

Program: Financial Management

Option: Finance

**FMGT 4410****Taxation 2**

<b>Hours/Week:</b>	4	<b>Total Hours:</b>	80	<b>Term/Level:</b>	4
<b>Lecture:</b>	2	<b>Total Weeks:</b>	21	<b>Credits:</b>	
<b>Seminar:</b>	2				

<b>Instructor:</b>	<b>Office Phone:</b>	<b>Office Location:</b>
<i>Ralph Gioia B.A., C.A.</i>	<i>451-6841</i>	<i>SE6 318</i>

**Prerequisites****FMGT 4410 is a Prerequisite for:**

Course No.	Course Name:	Course No.	Course Name
FMGT 3410	Taxation 1		

**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 include capital gains and losses; net income and taxable income for Canadian taxpayers; the taxation of Canadian income of non-residents; basic tax planning strategies for a variety of taxpayers.

**Evaluation**

Final Examination	35%
Mid-term Examination	35
Quiz #1	10
Quiz #2	10
Seminar Participation	10
<b>TOTAL</b>	<b>100%</b>

**Course Outcomes and Sub-Outcomes:**

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 estate freezes, 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 corporations etc.

### **FMGT 4410 Seminars**

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 1 of the 10 marks allocated for participation.

### **FMGT 4410 Examinations**

*Each student must have his or her own copy of the Income Tax Act and will be allowed to use an annotated copy in quiz and examination settings.*

### Course Record

Developed by: Ralph Gioia B.A., C.A. Date: January 2000  
Instructor Name and Department (signature)

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

Approved by: \_\_\_\_\_ Start Date: \_\_\_\_\_  
Associate Dean/Program Head  
(signature)

### Effective Date

January 2001

### Text(s) and Equipment

#### Required:

1. *Canadian Tax Principles, 2000-2001 Edition,*  
*Prentice Hall Canada Inc.*
2. *Canadian Income Tax Act with Regulations*  
C.C.H. current edition

#### Reference/Recommended:

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Week	Chapter	Topic: To be read in advance of lecture.	Seminar: Assignment Problems
1	9	Capital Gains and Capital Losses	<i>none</i>
2	9	Capital Gains and Capital Losses	<i>Review of chapter 8</i>
3	9	Capital Gains and Capital Losses	<i>9-1,9-2,9-3, 9-7,9-13</i>
4	10	Non Arm's Length Transactions	<i>9-9,9-10,9-12</i>
5	11	Income From Property, Other Income, and Other Deductions	<i>10-1,10-2, 10-3,10-6</i>
6	12	Taxable Income for Individuals	<i>11-1,11-2, 11-3,11-4, 11-8 Quiz #1</i>
7	12	Taxable Income for Individuals	<i>Instructor Questions 12-1,12-2, 12-3,12-4</i>
8	13	Taxes Payable for Individuals	<i>12-8,13-1, 13-2</i>
9		<b>Review</b>	<b>Review</b>
10		<b>Mid-term Exam: Chapters 9 - 13</b>	
11		<b>Spring Break</b>	
12	14	Taxable Income and Taxes Payable for Corporations	<i>to be announced</i>
13	14	Taxable Income and Taxes Payable for Corporations	<i>to be announced</i>
14	15	Integration, Refundable Taxes and Corporate Taxation and Management Decisions	<i>to be announced</i>
15	16	Corporate Taxation and Management Decisions	<i>to be announced</i>
16	17	Rollovers Under Section 85	<i>to be announced</i>
17	18	Other Rollovers, Business Valuation	<i>to be announced</i>
18	19	Trusts and Estates	<i>to be announced</i>
19	20/21	Partnerships, Taxation of International Income	<i>to be announced</i>
20		<b>Review</b>	<b>Review</b>
21		<b>Final Exam</b>	

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