



BRITISH COLUMBIA INSTITUTE OF TECHNOLOGY

School of Business  
Program: Financial Management  
Option: Finance

## Course Outline

**FMGT 3410**

**Taxation 1**

**Start Date:** September, 2002

**End Date:** December, 2002

**Course Credits:**

**Term/Level:** 3

**Total Hours:** 60

**Total Weeks:** 15

**Hours/Week:** 4

**Lecture:** 2

**Lab:**

**Shop:**

**Seminar:** 2

**Other:**

### Prerequisites

Course No.	Course Name
FMGT 2100	with a mark of 70% or
FMGT 2105	with a mark of 65%

### FMGT 3410 is a Prerequisite for:

Course No.	Course Name
FMGT 4410	Financial Accounting 2

### Course Calendar Description

The course will examine the major income categories and applicable rules, determine who is subject to tax in Canada and learn the basis on which Canada levies income tax. Some deductions involved in the determination of net income will also be covered.

### Course Goal

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 and plan for the best obtainable tax outcomes.

**Evaluation**

Term exams	45%
Final Exam	50%
Seminar participation	5%
TOTAL	<u>100%</u>

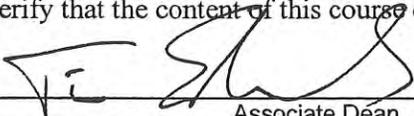
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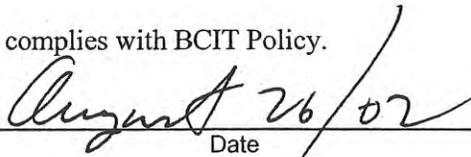
**Course Learning Outcomes/Competencies**

1. Identify the criteria for Canadian resident status.
  2. Use a variety of sources to 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 opportunities.
  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
  9. Recognize filing requirements, deadlines, and repercussions resulting from non-compliance.
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**Course Content Verification**

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

  
\_\_\_\_\_  
Associate Déan

  
\_\_\_\_\_  
Date

Note: Should changes be required to the content of this course outline, students will be given reasonable notice.



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### Instructor(s)

Barrie Yackness

Office No.: SE6-343

Office Phone:

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### Learning Resources

Required:

**Canadian Tax Principles, 2002-2003 edition, by Byrd and Chen, Pearson Education Canada.**

**Canadian Income Tax Act with regulations, CCH, current edition**

Recommended:

CCRA-Interpretation Bulletins and Information Circulars

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### BCIT Policy Information for Students

All Outlines, Schedules and Mark Allocations are subject to change if the instructor determines that a change is required.

See last page for additional information on policies and procedures

**Attendance requirements** will be enforced as per the BCIT policy. Assignment and Seminar details below describe marks reductions to be applied for missed seminars whose quantity is not in excess of BCIT policy.

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### Assignment and Seminar Details

The participation mark for seminars will be affected both by your attendance and your contribution during the two-hour seminar. You **earn** your seminar mark, to a maximum of 5 marks, with **quality** contributions. Marks are not given for attendance but your earned mark will be **reduced** for each seminar you have missed. It will 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 seminars. **Do not wait until the end of the course to participate- you may be too late.**

**Quizzes** will be given at the **beginning** of some seminars. These quizzes will be short and will contain questions pertaining to the chapters indicated on the course outline. Quizzes will not contain true and false or multiple choice questions. Each seminar class will be given different quiz questions. If you are **absent** for the quiz, there is **No** opportunity for make-up. If your absence is because of **sickness** as evidenced by a note from your **doctor** or because of some unavoidable circumstances **approved in advance** by your instructor, you will have, at the instructors discretion, either the opportunity to take the quiz with another class or your marks will be reallocated to other course evaluations.

Unless otherwise instructed, each two-person group **must bring** one Income Tax Act and one Canadian Tax Principles to each seminar. Otherwise, you will be **considered absent** and will lose marks accordingly.



## Schedule

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Week	Chapter	Topic (to be read in advance of lecture)	Seminar assignment questions	Date	Quiz
Sep. 5, 9	1	Introduction	General discussion	Sept.9-13	No
Sep. 12, 16, 19	3	Liability for tax	Chapter 1	Sept.16-20	No
Sep. 23, 26, 30	5	Income or loss from office or employment and Pages 307-309, 322	Chapter 3	Sept.23-27 Sept. 30- Oct. 4	Ch. 1
Oct. 3, 7, 10	6	Retirement Savings	Chapter 5	Sept. 30- Oct. 4 Oct. 7-11	Ch.3
Oct. 14	Thanksgiving				
Oct. 15-21		Midterm Exam	Chapters 1,3,5		
			Exam review	Oct. 22-25	No
			Chapter 6	Oct. 28- Nov. 1	
Oct. 24, 28, 31, Nov. 4	7	CCA and CEC	Chapter 7	Nov. 4-8 Nov. 12- 15	Ch.6
Nov. 7	8	Income or loss from a business	Chapter 8	Nov. 18- 22	Ch. 7
Nov. 11	Remembrance day				
Nov. 14, 18, 21	8	Income or loss from a business	Chapter 8	Nov 25-29	No
Nov. 25, 28 Dec. 2	2	Procedures and administration	Chapter 2	Dec.2-4	No

## 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. Effective September 1, 2000 the following policy will be followed by the Department:

Subject to circumstances outlined in point 2, 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.