



BFA714

Australian Tax Law

Semester 1 2009

School of Accounting and Corporate Governance

Faculty of Business

Unit Outline

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Unit description

This unit introduces students to the core concepts in Australian taxation and identifies the framework (both legal and administrative) behind such concepts. The knowledge gained through this exploration enables the application of the framework to current issues faced by individuals and businesses whilst ensuring compliance with statutory and professional requirements. Basic concepts of assessable income (including capital gains) and allowable deductions are extended with fringe benefits tax and goods and services tax with the focus on application to 'real life' scenarios.

Learning outcomes

At the conclusion of the unit you should be able to:

- 1 Explain taxation concepts through the application of relevant legislation, cases, and rulings (links to the knowledge and communication skills graduate attributes);
- 2 Apply taxation concepts to specific situations (links to the knowledge and problem-solving skills graduate attributes);
- 3 Calculate taxation liability/refund or elements thereof (links to the knowledge graduate attribute);
- 4 Communicate your level of understanding clearly and concisely through the presentation of calculations and well-reasoned written and oral arguments that are supported by taxation legislation, relevant case law and taxation rulings (links to the communication skills graduate attribute).

Generic graduate attributes

The University has defined a set of generic graduate attributes (GGAs) that can be expected of all graduates (see <http://www.utas.edu.au/tl/policies/index.htm>). By undertaking this unit you should make progress in attaining the following attributes:

Knowledge: explain taxation concepts through research and the application of taxation information;

Communication skills: write and speak coherently on taxation issues;

Problem-solving skills: interpret scenarios, identify relevant taxation issues and use taxation knowledge to justify an answer.

Each of these generic graduate attributes is integrated in each assessment task in the unit.

Learning resources required

Essential texts

Kenny, P. (2009). *Australian Tax 2009*. LexisNexis Butterworths, Chatswood.

Kenny, P. (2009). *Concise Tax Legislation 2009*. LexisNexis Butterworths, Chatswood.

Textbooks may be purchased in a pack from the Co-op Bookshop in Hobart. You will need to bring the textbooks to lectures and tutorials.

Supplementary reading

If you are having trouble understanding components of the unit, or you just want to know more, then you would benefit from reading the latest edition of any of the following references:

Barkoczy, S., (2008). *Australian Tax Casebook*, 9th Edition. CCH, Sydney.

CCH, (2009). *Australian Master Tax Guide*. CCH, Sydney.

Deutsch, R.L., Friezer, M.L., Fullerton, I.G., Hanley, P.J., Snape, T.J., (2009). *Australian Tax Handbook*. Thomson ATP, Sydney.

Fisher, R.K and Hodgson, H.M., (2009). *Tax Questions & Answers 2009*. Thomson ATP, Sydney.

Krever, R. (2009). *Australian Taxation Law Cases*. Thomson ATP, Sydney.

Nethercott, L.J., Richardson, G., Devos K., (2008). *Australian Taxation Study Manual: Questions and Suggested Solutions*, 18th Edition. CCH, Sydney.

Obst, W. and Hanegbi, R., (2008). *Successful Tax Study 2008-09*. Thomson ATP, Sydney.

Woellner, R.H., Barkoczy, S., Murphy, S. and Evans, C., (2009). *Australian Taxation Law*. CCH, Sydney.

E- (electronic) resources

Useful tax and related legal information obtained from the Internet may be of assistance to you in gaining a more in-depth understanding and in completing your assignments. Please note, internet sites are periodically updated and site addresses may change from time to time. Some useful tax and research sites are listed below.

Your textbook's website

Your textbook (Kenny, 2009) has a website you should access for links to the cases noted in the chapters and many research sources as well as a webquiz with additional

questions for you to attempt:

<http://www.lexisnexis.com.au/aus/academic/LNConnect/Taxation/australiantax2009/default.asp>

Australian Government

The Australian Tax Office (ATO) maintains a website. It allows access to the ATO Legal Database, which contains legislation, cases and taxation rulings.

<http://www.ato.gov.au/>

The ATO Legal Database

<http://law.ato.gov.au/atolaw/index.htm>

The ATO Business Entry Point (general help for small business)

<http://www.business.gov.au>

Australian Professional Bodies

The Australian Tax Institute of Australia

<http://www.taxinstitute.com.au/>

CPA Australia

<http://www.cpaaustralia.com.au/>

The Institute of Chartered Accountants in Australia

<http://www.icaa.org.au>

National Institute of Accountants

<http://www.nia.org.au>

University Library Database Resources

The University library has many resources including access to a tax database: Taxpoint. This database has complete legislation, cases and rulings as well as search functions. Check with the University library for more details.

Other Sites

Austlii – Australian Legal Information Institute

<http://www.austlii.edu.au/>

Atax - part of UNSW

<http://www.atax.unsw.edu.au/>

Taxpayers Australia Inc.

<http://www.taxpayer.com.au>

MyLO

General

MyLO is an internet service that has been adopted by the University and will be used in this unit. MyLO may be accessed on computers in computing laboratories at the University or on your computer at home or at work. Information about accessing and using this service, about required computer specifications, frequently asked questions, and about how to get help if you experience difficulties, is available at the following University website: <http://www.utas.edu.au/coursesonline>

You are strongly advised to visit this site and become familiar with the features of MyLO, especially if you have not used it before. You will probably be using it in other units that you are studying as well. Here are some important points about accessing our web site:

Access to MyLO

You can access your MyLO course from the Student Page on the University's web site: **Current Students** **LOGIN MyLO@UTAS** or go directly to the web address noted above:

- Enter your email POP account "Username" (for example, dsmith) and your "Password". These are identical to the pop account/email username and password that you are given with your enrolment confirmation form. If you forget your pop account username, contact the Help Desk (see below under 'getting assistance with MyLO). Both MyLO and e-mail passwords must remain the same. If you are going to change your password, change your e-mail password first.
- When you enter your user name and password, click on OK and choose "BFA714" from the list of units (subjects) in which you are enrolled. [NOTE: Another box may periodically appear when using the University network which asks you to verify your user name & password, this is simply a security device – enter your password when asked & click OK].
 - MyLO will automatically check that your browser is properly configured. If the MyLO 'browser checker' window appears – scroll down to make sure you have a tick in each area shown – then close the window.
- From the Unit's homepage click on the area you wish to access e.g. "Unit Information". A table of contents will appear on the left hand side of your screen. Scroll through the list until you find what you want & click the underlined topic.

Computer hardware & software for MyLO

To access MyLO from your own computer you will need the appropriate software, and hardware to run that software. See ***Learning Online*** at <http://uconnect.utas.edu.au> for computer software you will need.

Note: Older computers may not have the hardware to run some of the required software applications. Contact your local IT support person or the Service Desk on 6226 1818 if you experience difficulties.

For further information on using MyLO self help sheets can be accessed at: <http://www.utas.edu.au/coursesonline/MyLO-Support.htm>

Details of teaching arrangements

Lectures

This unit is based around a weekly 100-minute lecture. The lectures will be used to introduce the various taxation topics that will be covered in the unit. They will consist of topic overviews, explanations and demonstration of calculations. It is expected that you will complete all the relevant reading before attending each week's class (refer to the study schedule for list of readings required).

Please note that taxation is a very complex subject. Lectures can only be used to introduce each taxation topic. It is expected that through weekly reading, completing the tutorial questions and the assessment requirements, you will be exposed to a deeper understanding and become more informed on the topic of taxation.

Tutorials

Tutorials start in week 2 and are of 50 minutes duration. Tutorials will reinforce the content of the lectures and provide an opportunity to actively engage in problem solving with the relevant justification and calculations. To obtain the maximum benefit from tutorials you will need to have completed all the relevant reading and your homework questions and be prepared to participate actively in class. A summary of the important points that should be covered in answering the tutorial questions will be posted on MyLO at the conclusion of each week's class. To help reinforce and deepen the understanding you gain in the tutorials you may find the text's website with links to full cases and the webquiz of benefit. Study groups and making use of the lecturer with specific questions during consultation time are also invaluable resources.

Tutorial times

You will be asked to select a tutorial time and 'sign up' to your chosen class by following the prompts and instructions on the unit's MyLO home page. Please note that you will only be able to sign in once using your own individual university login. If you are not enrolled in the unit you will not have access to this facility. So please ensure you are correctly enrolled.

If you need to change your tutorial time and there are no places at your preferred time it will be your responsibility to find another student who agrees to swap. The best way to do this is via the MyLO Discussion Board. You will then need to contact your lecturer to make the agreed change. ALL changes need to be made by week 4.

Occupational health and safety (OH&S)

The University is committed to providing a safe and secure teaching and learning environment. In addition to specific requirements of this unit you should refer to the University's policy at: http://www.admin.utas.edu.au/hr/ohs/pol_proc/ohs.pdf

Learning expectations and strategies

Learning Expectations

The University is committed to high standards of professional conduct in all activities, and holds its commitment and responsibilities to its students as being of paramount importance. Likewise, it holds expectations about the responsibilities students have as they pursue their studies within the special environment the University offers.

The University's Code of Conduct for Teaching and Learning states:

Students are expected to participate actively and positively in the teaching/learning environment. They must attend classes when and as required, strive to maintain steady progress within the subject or unit framework, comply with workload expectations, and submit required work on time.

<http://www.admin.utas.edu.au/handbooks/utashandbooks/rules/ctea.html>

Accounting and Corporate Governance students are faced with the challenge of developing technical skills as well as developing their independent learning skills as required by the business community and by the professional bodies. The process of "learning to learn" is nurtured by the University of Tasmania through learning activities that empower and enable students to undertake their own learning. The University's aim is to change students from being passive recipients to active participants.

The enabling process occurs as a result of developing generic learning skills, problem-solving and communication skills, and by fostering appropriate learning attitudes, such as a willingness to initiate action, accept alternative points of view and to understand personal limitations.

You are therefore expected to take responsibility for your own learning. To maximise the benefit that you can derive from this unit it is crucial that you thoroughly prepare for the weekly classes by carefully studying all the appropriate readings and formulating questions on matters with which you are experiencing difficulty. If you miss any timetabled session, it is YOUR responsibility to obtain any information that you have missed.

Further information about the Faculty's philosophy on teaching and learning is set out in the Faculty's Guide for Students which is available on BFA714's MyLO site and at

the School of Accounting and Corporate Governance website:
<http://www.utas.edu.au/accg/studentres.htm>.

The University is committed to high standards of professional conduct in all activities, and holds its commitment and responsibilities to its students as being of paramount importance. Likewise, it holds expectations about the responsibilities students have as they pursue their studies within the special environment the University offers.

Learning Strategies

Although you are expected to take responsibility for your own learning, you are not on your own. The lecturers and tutors are available to help facilitate your learning, and if you need additional information refer to the Learning Development website:
<http://www.utas.edu.au/learndev/>

One strategy that should help you achieve excellent results is that of organising your time so that you spend between 10 to 12 hours a week studying this unit, such as:

<i>Activity</i>	<i>Per week</i>
Class contact – lectures and tutorials	3 hours
Reading before class	2 hours
Consolidating material after class and practicing exercises	3 hours
Preparing for class, assessments and the exam	4 hours

It is strongly advised you work through the assigned problems again after your tutorial in order to participate actively and confirm your understanding of the various topics.

Warning: This subject has a high level of reading content. Ensure that you are well prepared and organised!

Specific attendance/performance requirements

You are expected to attend lectures and tutorials. You must achieve an overall mark of at least 50 per cent AND have completed and submitted the assignment and the test to pass the unit.

Absence from test

If you miss the test for an acceptable reason (for example, if a medical certificate is provided to the lecturer), the weighting for the test will be added to the weighting for the final examination. In other words, the final examination would then be worth 70% of your final assessment. Alternative test papers will not be set if you miss the test. Work commitments are not considered an acceptable reason for missing the test.

Absence from classes

If you miss any timetabled session, it is your responsibility to obtain any information that you have missed. Any announcements made in lectures will be available through the unit's MyLO site.

Assessment

Assessment schedule

Assessment task	Date due	Percent weighting
Assessment Task 1: Peer reviewed homework	Continuous	15%
Assessment Task 2: Peer reviewed test	Wednesday 18 th March In lecture	10%
Assessment Task 3: Assignment	Monday 4 th May 3.00pm	15%
End of semester exam		60%

Assessment details

Assessment Task 1 –15%: Peer reviewed homework

Task description

You are required to bring your completed homework (as per the unit schedule) to each tutorial class. Your work will be given to a peer to assess. Random checks will also be made by the lecturer. Class discussion will focus on the criteria with application to the homework questions.

Task length

Unlimited

Link to unit's learning outcomes

1, 2, 3, and 4

Assessment criteria/ guidelines

Completion of homework
Application of tax concepts
Appropriate justification
Correct calculations
Contribution to class discussion
Other criteria as agreed by class

Date due

Checked during semester

Assessment Task 2 –10%: Peer reviewed test

<i>Task description</i>	You will be given questions in your class on the first two topics which you will have to answer within an hour. You will spend the next 30 minutes marking your peer's answer.
<i>Task length</i>	Limited by time: 90 minutes.
<i>Link to unit's learning outcomes</i>	1, 2, 3, and 4
<i>Assessment criteria/ guidelines</i>	Application of tax concepts Appropriate justification Correct calculations Logical and clear presentation
<i>Date due</i>	Wednesday 18 th March 2009 During the lecture time

Assessment Task 3 –15%: Assignment

<i>Task description</i>	Written analysis and calculations applying income, deductions and CGT through application of legislation, cases and rulings. You will be required to submit an electronic copy of your assignment to MyLO as well as submitting a hard copy in the assignment box.
<i>Task length</i>	1,500 words
<i>Link to unit's learning outcomes</i>	1, 2, 3, and 4
<i>Assessment criteria/ guidelines</i>	Application of tax concepts Appropriate justification Correct calculations Logical and clear presentation
<i>Date due</i>	3.00 pm Monday 4 th May 2009

Final exam – 60%

Description / conditions

You are permitted to take into the examination room your tax legislation and a non-programmable calculator.

Date

The final exam is conducted by the University Registrar in the formal examination period. See the Current Students' homepage (Examinations and Results) on the University's website.

Assessment/Learning Outcomes/Generic Graduate Attributes Matrix

		Assessment items			
		<i>Homework</i>	<i>Assignment</i>	<i>Test</i>	<i>Exam</i>
Learning Outcomes	1	✓	✓	✓	✓
	2	✓	✓	✓	✓
	3	✓	✓	✓	✓
	4	✓	✓	✓	✓
Generic Graduate Attributes	Knowledge	✓	✓	✓	✓
	Communication	✓	✓	✓	✓
	Problem-solving	✓	✓	✓	✓

How your final result is determined

Your final result is calculated by adding your total assessment results to the final exam score. You must achieve an overall mark of at least 50 per cent AND have completed and submitted the assignment and the test to pass the unit.

Submission of assignments

Assignments should be submitted in accordance with the Guide for Students issued by the Faculty of Business <http://www.utas.edu.au/accg/studentres.htm>. Signed assignment coversheets must be used for all assignments and these are available at the same website, the BFA714 MyLO site or from the School office. Assignments without a signed coversheet will not be marked. Assignments are to be submitted via the assignment box, Level 5, Commerce Building, Hobart campus as well as submitted electronically via the MyLO home page for the unit.

Requests for extensions

Consistent with the Faculty's policy on late submission, extensions of time will only be granted on medical or compassionate grounds. They will not be granted because of work or other commitments. Requests for extension must be made to the unit coordinator in writing on the School's Application for Late Submission Form available at <http://www.utas.edu.au/accg/studentres.htm> or on MyLO before the due date of the assignment. Medical certificates or other evidence, which supports the application, must be attached and must contain information which justifies the extension sought.

Penalties

Over-length Work

If you submit over-length work you will be asked to resubmit the work within 48 hours. There will be an automatic 10% penalty of available marks and 10% for each day until the assignment is resubmitted.

Late Submission of Continuous Coursework

Coursework that is not handed in by the agreed completion date will incur a penalty of 10% of the available marks for each day, or part day, the assignment is late.

Review of results and appeals

You may request a formal remark of your original submission (in accordance with Rule of Academic Assessment 2, Clause 22.1). Under the Rule of Academic Assessment 2, clause 23, you may also request a review of your final result in a unit. For further information see: http://acserv.admin.utas.edu.au/complaints_checklist.html

Academic referencing

In your written work you will need to support your ideas by referring to scholarly literature, and other sources of information such as the accounting regulatory bodies. It is important that you understand how to correctly refer to the work of others and maintain academic integrity. Failure to appropriately acknowledge the ideas of others constitutes academic dishonesty (plagiarism), a matter considered by the University of Tasmania as a serious offence.

The appropriate referencing style for this unit is the Harvard referencing method. In addition to the *Faculty Guide for Students*, you are encouraged to read Fleet, W, Summers & Smith, B. (2006), *Communication Skills Handbook for Accounting*, which provides detailed information about using the Harvard referencing system. Further information on presentation of assignments, including referencing styles is available at: <http://www.utas.edu.au/library/assist/gpoa/gpoa.html>

You can also access information about the referencing style used in this unit in the *Faculty of Business Guide for Students* available via MyLO or from the School's website - <http://www.utas.edu.au/accg/studentres.htm>.

Legal referencing (legislation, cases, taxation rulings)

When referencing legislation, please follow the referencing rules as set out below:

Legislation & Bills

The full title to the legislation should be in italics. The first time that legislation is referred to it should be set out in full followed by a shortened version in brackets. The shortened version can be used thereafter. For example: *Income Tax Assessment Act 1997* (Cth), s6-5 can be shortened to s6-5 ITAA 97.

Cases

When referencing cases the title to the case should be in italics but not the year nor the rest of the citation eg: *FCT v Cooke & Sherden* (1980) 10 ATR 696.

Taxation Rulings, Draft Rulings, Determinations and Guidelines

When referencing taxation rulings the title should be in italics but not the year nor the initials eg: *Taxation Ruling* TR 2000/6.

Primary Source v Secondary Source

Where possible quote the primary source (legislation sections, cases and tax rulings) in preference to secondary and even tertiary sources (text books). Try not to quote your textbook (Kenny, 2009).

Please read the following statement on plagiarism. Should you require clarification please see your unit coordinator or lecturer.

Plagiarism

Plagiarism is a form of cheating. It is taking and using someone else's thoughts, writings or inventions and representing them as your own; for example, using an author's words without putting them in quotation marks and citing the source, using an author's ideas without proper acknowledgment and citation, copying another student's work.

If you have any doubts about how to refer to the work of others in your assignments, please consult your lecturer or tutor for relevant referencing guidelines, and the academic integrity resources on the web at <http://www.academicintegrity.utas.edu.au/>

The intentional copying of someone else's work as one's own is a serious offence punishable by penalties that may range from a fine or deduction/cancellation of marks and, in the most serious of cases, to exclusion from a unit, a course or the University. Details of penalties that can be imposed are available in the Ordinance of Student Discipline – Part 3 Academic Misconduct, see <http://www.utas.edu.au/universitycouncil/legislation/>

The University and any persons authorised by the University may submit your assessable works to a plagiarism checking service, to obtain a report on possible instances of plagiarism. Assessable works may also be included in a reference database. It is a condition of this arrangement that the original author's permission is required before a work within the database can be viewed.

For further information on this statement and general referencing guidelines, see <http://www.utas.edu.au/plagiarism/> or follow the link under 'Policy, Procedures and Feedback' on the **Current Students** homepage.

Further information and assistance

If you are experiencing difficulties with your studies or assignments, have personal or life planning issues, disability or illness which may affect your course of study, you are advised to raise these with your lecturer in the first instance.

There is a range of University-wide support services available to you including Teaching & Learning, Student Services, International Services. Please refer to the **Current Students** homepage at: <http://www.utas.edu.au/students/>

Should you require assistance in accessing the Library visit their website for more information at <http://www.utas.edu.au/library/>

If you have a problem...

- of an administrative nature (eg tutorial allocation), see the lecturer

- of an academic nature, please ask questions during tutorial sessions. For individual assistance, you are encouraged to see your unit coordinator during "consultation hours"
- if you have problems using MyLO, contact the service desk:
 Website: <http://www.utas.edu.au/servicedesk/student/index.html>
 Telephone: 6226 1818
 Email: servicedesk@utas.edu.au
- if you have any concerns in relation to this unit, then in the first instance you should discuss the matter with your lecturer. However, if you do not feel comfortable approaching your lecturer, or if you have a discussion with your lecturer and are not satisfied with the outcome, then you are encouraged to contact one of the Ombudspersons listed below, who also teach in the School of Accounting & Corporate Governance.

Mr Peter Collett
 Room: 502, Faculty of Business
 Building, Hobart
 Ph: (+61 3) 6226 2192
 email:Peter.Collett@utas.edu.au

Ms Sue Conway
 Room D111
 Launceston
 Ph: (+61 3) 6324 3068
 email:Susan.Conway@utas.edu.au

Discussions with your chosen ombudsperson will be kept in the strictest confidence. If you wish to pursue the matter further, they will provide advice as to how this can be done. The University also has formal policies, which can be accessed at:
http://www.admin.utas.edu.au/ac_serv/complaints_info.html

Students with Disabilities –University & Faculty Equity Plans

Goal 1 of the University of Tasmania Equity Plan provides for: “An inclusive teaching and learning environment that values diversity, supports the pursuit of academic excellence and produces high quality education and employment results for all students and staff”. The Faculty of Business Equity Plan facilitates the University Plan at an operational level and has developed an ‘Action Plan’. The Action Plan for Goal 1 lays down procedures to ensure that all students, including those with disabilities, have equal access to lecture and course materials. The School of Accounting & Corporate Governance complies with these procedures.

Unit Feedback

The University of Tasmania, on a regular basis, evaluates its teaching and learning environment through the Student Evaluation of Teaching and Learning (SETL) system. The University values feedback from students and from time to time you will be asked to complete a SETL evaluation for a unit of study. For more information on SETL go to: <http://www.studentcentre.utas.edu.au/setl/>

Unit schedule

<i>Week Date Beginning</i>	<i>Topic</i>	<i>Kenny Chapters</i>	<i>Tutorial</i>
1 23 Feb	1. Introduction to Taxation & International Taxation	1-3	
2 2 March	2. Income	5 (small part of 4, 6 & 7)	Topic 1 Ch 2-AQ 2, 3 Ch 3-AQ 4, 6, 7, 14
3 9 March	3. Capital Gains Tax	8	Topic 2 Ch 5-AQ 4, 7, 10, 15 Ch 6-AQ 4, 9 Ch 7-AQ 6
4 16 March	Test		Test 18 March Test preparation
5 23 March	4. General Deductions	9 & 11	Topic 3 Ch 8-AQ 4, 5, 9, 20, 21, 30
6 30 March	5. Specific Deductions	10 & 12	Topic 4 Ch 9-AQ 2, 3, 19, 33, 35, 38 Ch 11-AQ 9
7 6 April	6. Partnerships	13	Topic 5 Ch 10-AQ 1, 2, 3, 5, 7, 18, 22 Ch 12-AQ 8, 17
9–15 April	MID SEMESTER BREAK		
8 20 April	7. Companies	13	Topic 6 Ch 13-AQ 2, 3, 4
9 27 April	8. Trusts & Minors	13	Topic 7 Ch 13-AQ 5, 8, 10, 12
10 4 May	9. Fringe Benefits Tax	17	Assignment Due 4 May Topic 8 Ch 13-AQ 6, 7, 11
11 11 May	10. Goods & Services Tax	18	Topic 9 Ch 17-AQ 4, 5, 7, 8, 15, 16
12 18 May	11. Tax Avoidance	16 (small part of 6 & 11)	Topic 10 Ch 18-AQ 4, 6, 7, 9, 10, 14, 37
13 25 May	12. Overview		Topic 11 Ch 16-AQ 5, 6 Ch 11-AQ 2, 3
1-5 June	STUDY PERIOD		
6-23 June	EXAMINATION PERIOD		

AQ = Additional questions (found at end of each chapter)