

**MACQUARIE
UNIVERSITY**



FACULTY OF
BUSINESS AND ECONOMICS

Department of Accounting and Finance

**MASTER OF ACCOUNTING
(CPA EXTENSION)**

UNIT OUTLINE

ACCG909

CPA – ADVANCED TAXATION

Semester 1 2010

ACCG909 CPA – ADVANCED TAXATION

UNIT OUTLINE – SEMESTER 1, 2010

Unit Description

This unit provides an in-depth knowledge of the law of income tax as it affects individuals, partnerships, trusts and companies. It also covers the practical application of income tax, goods and services tax, capital gains tax and fringe benefits tax in Australia and in relation to overseas transactions.

The unit constitutes structured formal academic support for full time students concurrently enrolled in the Master of Accounting (CPA Extension) program and the Advanced Taxation segment of the CPA program.

Unit objectives

This unit aims to further develop an understanding of taxation law and the ability to undertake critical analysis from the basic knowledge obtained at undergraduate level. It also has as a key objective the ability to apply the law to a problem or fact situation and to provide reasonable and logical advice. The unit aims to develop the practical skills of problem solving and of communicating in a group setting.

The objectives of the concurrent CPA Advanced Taxation segment, according to the CPA Segment Outline 2010, are that, on completion, students are able to:

- demonstrate an ability to apply the relevant tax laws and related legal precedents
- analyse events and explain the applicable legislation to determine tax liability, and
- provide strategic advice to stakeholders in reference to the tax liability.

Prerequisites and Professional Requirements

Students must have completed the 13 units (39 credit points) in the Master of Accounting (Professional) (previously, the Post-graduate Diploma in Accounting) at Macquarie University before commencement of the final six units in the MAcc (CPA Extension) program (24 credit points).

Teaching Staff

Lecturer **Shirley Murphy**
E-mail **smurphy@efs.mq.edu.au**

Generic Skills

ACCG909 CPA Taxation seeks to develop both generic skills and specific knowledge. A student passing this course must demonstrate an ability to apply their knowledge of the taxation laws in Australia to a given problem question and in doing so give authority for their advice from relevant tax legislation and case law. The group presentation and written assignment both require the student to apply their knowledge obtained during the course and require a student to develop a critical thought process in supporting their conclusions on application of the taxation laws in Australia

Students also become familiar with current developments in taxation law in the requirement to be aware of tax office rulings and recent case law that are referred to in each module.

The skills required for independent and reflective learning will be developed through the completion of the written assignment as it requires each student to analyse a given fact situation without any direction as to the taxation issue, just as if a client had requested the advice. This ability is further extended in class discussions.

Students will further develop their communication skills necessary for a successful commerce related career through the presentation and explanation (in written and verbal forms) of an answer to an assigned tax scenario. This requires the student to work as part of a group in analysing the question and in allocating the part of the presentation question that each member of the group will present.

Teaching Format

The unit is broken up into seminars in which students and the lecturer discuss readings, case studies and assigned questions on specified taxation topics that correlate with the 14 modules. Each seminar will be held on scheduled dates for 3 hours. In between these seminars students are required to work through and complete nominated modules in the CPA program, as well as work on assessment tasks.

Each seminar will consist of a mixture of activities based around the CPA program modules. These will include:

- discussion of case studies, examples and questions relating to the previous week's module, and

- review of the main concepts and content, and their practical application, arising from the current module.

Students are expected to attend all seminars, unless exceptional circumstances make that impossible.

In preparation for a seminar, students should work through the relevant modules in the CPA program, as well as work on assessment tasks and self-assessment tests.

Prescribed Reference Materials

All students should have the following:

- **CPA Program: CPA 105 Advanced Taxation, Deakin University, Geelong, January 2010.**

Students will also need to refer to legislation throughout the course. Students could use:

- CCH Core Tax Legislation and Study Guide 2010, or
- ATP Fundamental Tax Legislation 2010.

Alternatively, students could access tax legislation at www.comlaw.gov.au..

Other References

The following books are not required to be purchased, but students would benefit from reference to either as additional reading.

- 2010 Master Tax Guide, CCH, or
- 2010 Australian Tax Handbook, ATP.

The **CPA 105** course study guide has a list at the end of certain modules of references cited by the author that you may find useful.

Assessment

To be eligible to obtain a pass grade or better in this unit, it is necessary to:

- **satisfactorily attempt ALL assessment components, AND**
- **obtain at least a pass in the 30% CPA external examination, AND**
- **obtain at least a pass in the 70% Macquarie University assessment.**

Assessment summary

| Assessment task | Weight | Due date |
|--|---------------|---------------------|
| 1 st Multiple choice class test | 13% | Week 4 |
| 2 nd Multiple choice class test | 27% | Week 11 |
| Written group assignment | 15% | Week 10 |
| Presentation of group assignment | 10% | Week 14 |
| Participation | 5% | Throughout semester |
| CPA exam | 30% | 7 May |

1st Multiple Choice Class Test

The 1st Multiple Choice test will be held in class on 4 March in Week 4 . It will comprise 20 questions and will cover Modules 1 to 4. Students will have 60 minutes to complete the test which is worth 13%.

We will endeavour to post your mark on Blackboard by the end of Week 6. The examiner's feedback will also be posted on Blackboard.

Your mark will indicate how you are progressing in this unit and whether extra effort is required.

2nd Multiple Choice Class Test

The 2nd Multiple Choice test will be held in class on 22 April in Week 11 . It will comprise 40 questions and will cover Modules 5 to 14. Students will have 120 minutes to complete the test which is worth 27%.

We will endeavour to post your mark on Blackboard during the week after the exam. The examiner's feedback will also be posted on Blackboard.

Written Group Assignment

The written assignment is a group assignment and is worth 15%. Students will be allocated a group and given their topic in Week 3. The topic will require students to apply their knowledge of the concepts covered in the unit and to undertake further research. The assignment must be submitted on 15 April in Week 10 .

Comments on the content will be made on the assignment which will be returned to you in Week 11.

Presentation of Group Assignment

Each of the students in a group must make an oral presentation to the class on 13 May in Week 14 explaining their research, the relevant law and their solution to their

part of the written assignment. A presentation should generally not exceed five minutes. The oral presentation is worth 10%.,

Participation

Students will be given a mark out of 5 for their participation in classes. Students will need to read the CPA materials before a class so as to participate in discussion and answer questions.

CPA Examination

Students are advised that the CPA examination, which is worth 30%, is conducted by CPA Australia and in accordance with their rules and regulations. It is the responsibility of students to be aware of the rules and requirements of CPA Australia, and the venue and time for the examination. The CPA Examination is a three-hour exam, consisting of 60 multiple choice questions.

ALTHOUGH THE THREE EXAMS ARE OPEN BOOK, STUDENTS ARE WARNED THAT THEY ARE UNLIKELY TO HAVE TIME DURING THE EXAM TO FIND ANSWERS IN THEIR NOTES. STUDENTS SHOULD REMEMBER THIS WHEN THEY STUDY AND PREPARE FOR THE EXAM.

Cheating and Plagiarism

To cheat in the context of university assignments, tests and examinations is to attempt to gain an unfair advantage by violating the principles of intellectual and scholarly integrity. Cheating also encompasses plagiarism, which is the appropriation or imitation of another person's ideas and manner of expressing them.

WHAT IS CHEATING?

You will be guilty of cheating if you do any of the following:

- Copy from another student during a test or examination. This is cheating whether or not there is collusion between the students involved. Collusion with another student who wishes to cheat from you exposes both parties to penalties under University Regulations.
- Use or paraphrase the work of others, including any document, audio-visual or computer-based material, when preparing an assignment or writing an examination, and pretend it is your own work by not acknowledging where it came from.
- Copy from another student's coursework whether that copying is with or without the knowledge of that student. This includes:
 - copying all or part of someone else's assignment,
 - allowing someone else to copy all or part of your assignment,
 - providing your assignment (or other materials for an assignment) to another student,
 - having someone else do all or part of an assignment for you,
 - doing all or part of someone else's assignment for them.
- Make up data and fabricate results in research assignments.

- Impersonate someone else in an examination or test, or arrange such impersonation.
- Use forbidden material in a test or examination, whether in printed or electronic form. For example, attempting to use a non-standard calculator in a restricted calculator examination.

WHY IS IT WRONG?

If you take and use the work of another person without clearly stating or acknowledging your source, you are falsely claiming that material as your own work and committing an act of plagiarism. This is wrong because it: violates the principle of intellectual and scholarly integrity; devalues the grades and qualifications gained legitimately by other students; and fails to allow you demonstrate your own understanding of the material .

PREVENTING CHEATING

All students and staff have a responsibility to prevent, discourage and report cheating.

Typically students cheat because they are having difficulty with the unit content, the language of the unit, or both. Cheating and/or plagiarism can be a temptation when students are experiencing difficulty with a heavy workload in the unit and seek to save time by using others' work.

To avoid having students resort to cheating, the University provides many services to help students with their course or to make thoughtful decisions about whether to continue. Within the Division of Economic and Financial Studies, students should first seek assistance from their lecturer.

Staff at the Centre for Macquarie English are also an excellent resource for plagiarism questions and language issues. The University also offers help through the Dean of Students or the University Health and Counselling Services.

There is a difference between getting help and cheating. You are encouraged to get help if you need assistance to understand the material and any set work so that you are in a better position to create your own answers. You might also want to have group discussions with your colleagues to debate the different issues surrounding a form of assessment. However the work you submit for your assessment must be in your own words and must not be those of another person.

HOW TO PLAY SAFE

To maintain good academic practice, so that you may be given credit for your own efforts, and so that your own contribution can be properly appreciated and evaluated, you should acknowledge your sources and you should **ALWAYS**:

(i) State clearly in the appropriate form where you found the material on which you have based your work, using the system of reference specified by the Division in which your assignment was set;

(ii) Acknowledge the people whose concepts, experiments or results you have extracted, developed or summarised, even if you put these ideas into your own words;

(iii) Avoid excessive copying of passages by another author, even where the source is acknowledged. Find another form of words to show that you have thought about the material and understood it, but remember to state clearly where you found the ideas.

There is nothing wrong with working with other students in a group; indeed

sometimes you will be encouraged to do so. But after a certain point, each student must work on their own to produce their own written answers. If no specific guidelines for group-work have been given, a reasonable interpretation is that it is acceptable for two or more students to discuss a problem among themselves or with a staff member. The group may then agree that the answer should include certain points. But then each member of the group must independently write their own answer to the problem.

PENALTIES

Offences of plagiarism will attract penalties which at a minimum, will result in the deduction of marks for the test and/or assignment, to ultimately a failure in the unit and reference to the University Discipline Committee. The penalty will depend upon the extent of the plagiarism, whether it is a first or repeated offence, whether there is evidence of deliberate deceit and whether advantage has been taken of another student. In some cases this can result in the suspension of the student from enrolment in the university. In all cases however, a record of any offence and/or incident, along with correspondence, will be placed permanently on the students' individual record file held at the university.

Student Support Services

Macquarie University provides a range of Academic Student Support Services. Details of these services can be accessed at <http://www.student.mq.edu.au>

Classroom Etiquette

Students are expected to arrive on time, certainly before five minutes past the hour, and not to leave until the class ends. If you have a recurring problem that makes you late, or forces you to leave early, have the courtesy to discuss this with your lecturer.

Students are expected to be quiet during lectures unless, of course, class participation is required.

Mobiles should be turned off during classes; not simply set to "silent".

| Class date | Topic |
|--------------------------|--|
| 11 February -- Week 1 | Introduction Module 1: Introduction to income tax law Module 2: Principles of assessable income |
| 18 February -- Week 2 | Module 3: Capital gains tax |
| 25 February -- Week 3 | Module 4: General and Specific Deductions Group assessment topics and groups handed out |
| 4 March -- Week 4 | 1st Multiple Choice exam in class – 60 minutes Module 5: Capital expenditure allowances Module 6: Small business entities |
| 11 March -- Week 5 | Module 7: Individuals |
| 18 March -- Week 6 | Module 8: Partnerships Module 9: Trusts |
| 25 March -- Week 7 | Module 10: Companies and dividends |
| 1 April -- Week 8 | Module 11: Consolidations Module 12: Transfer pricing |
| 8 April -- Week 9 | Module 13: Fringe benefits tax |
| 15 April -- Week 10 | Module 14: Goods and Services Tax Group written assignment due |
| 22 April -- Week 11 | Revision 2nd Multiple Choice exam in class – 120 minutes Return of group written assignments |
| 29 April -- Week 12 | Independent study – no class |
| 7 May -- Week 13 | CPA Exam on 7 May |
| 13 May -- Week 14 | Presentations on group assignment |