

DEPARTMENT OF ACCOUNTING AND FINANCE
AG209 Taxation
2019/20 SEMESTER 2

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CLASS DESCRIPTION

The main areas of taxation covered will be Income Tax; Corporation Tax and Capital Gains tax - in that order.

The class is an option within the Principal Subject Accounting.

The text for the class is **Taxation - Finance Act 2019** by **Alan Melville** published by **Pearson**. The lectures will be based on this book.

For all students the class contributes 20.0 credits. At this stage students must give careful thought to the number of credits required to ensure that you meet the requirements for a BA pass degree at the end of year three. Even if you intend to proceed to honours study you **MUST** first of all satisfy the conditions for the BA pass degree.

Students who keep up with the work of the Taxation class perform well and find it is helpful preparation for subsequent study of taxation in greater depth in professional examinations. However, past experience suggests that those students who do **NOT** keep up to date with each topic in Taxation as it is taught have considerable difficulty catching up as the final exam approaches. Taxation is a subject which builds each week on the material studied in previous weeks; you cannot miss out stages and hope to catch up later.

CLASS AIMS

Ensuring knowledge of the various UK taxes. To enable students to perform complex taxation calculations.

LEARNING OUTCOMES

The following learning outcomes will contribute to your self-analysis and reflection in your Student's Personal Development Planning (SPDP). These learning outcomes will be assessed using the methods explained in the "Assessment" section in this Outline.

Alternative formats of teaching materials are available on request. Please contact Jillian D'Agostino in the departmental office of Accounting and Finance.

Subject-specific knowledge and skills

On completing this class you will be able to:

- A.1 Explain the principles of taxation applied in each of the main areas covered;
- A.2 Apply the principles to solving simple and complex problems
- A.3 Give advice on tax planning aspects of each of the areas covered

Cognitive abilities and non-subject specific skills

During the class you will:

- B.1 Apply principles of legislation to solving problems
- B.2 Apply problem-solving techniques with awareness of the personal consequences for the client

ASSESSMENT

CLASS TEST – Accounting for 30% of your final mark

FINAL EXAMINATION – Accounting for 70% of your overall mark

PENALTIES FOR LATE SUBMISSION

The Business School follows the University's policy for the late submission of assessed work:

https://www.strath.ac.uk/media/ps/cs/gmap/academicaffairs/policies/Policy_and_Procedure_for_the_Late_Submission_of_Coursework.pdf.pagespeed.ce.dLHxb3k-D.pdf

FEEDBACK

The standard turnaround time for all feedback and marking within SBS is 15 working days from assessment submission.

The University policy on Assessment and Feedback is available here:

https://www.strath.ac.uk/media/ps/cs/gmap/academicaffairs/policies/Assessment_and_Feedback_Policy.pdf.pagespeed.ce.ugGorsUOnQ.pdf

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COMPENSATION SCHEME

The Business School follows the university's policy:

https://www.strath.ac.uk/media/ps/cs/gmap/academicaffairs/policies/Policy_on_Compensation_Scheme.pdf.pagespeed.ce.BBKaC-jsDw.pdf

RESIT POLICY

1. Students who have failed a class will be given the opportunity to resit the class during the August resit diet.
2. Results for resits will not be capped at 40% unless students have been NQd.

NQ POLICY

It is important that you attend all tutorials and submit all pieces of assessment which are required for each class you are taking. If you fail to attend a number of tutorials, or if you fail to submit work, the co-ordinator for the class(es) concerned can ask the Business School to mark you as NQ (Not Qualified to Sit Exam).

Each department will be able to advise you of what they consider to be satisfactory performance, and departments will warn you if they consider you to be at risk of NQ. If you are NQd for a class you will be notified by letter before the exam diet in question. An NQ is treated as a fail: you will normally be permitted to sit the exam as a resit, but your mark for the overall class will be capped at 40%.

TEACHING AND LEARNING

Lectures

There will be weekly lectures starting in week one, and workshops of one hour starting in week 3. You should buy Melvilles taxation.

Tutorial work will be made available on myplace.

Students are required to attempt the questions and come to the tutorial prepared to answer questions on the work set. You can enrol for the tutorials on the **My Place** web site. Restriction may have to be put on numbers in each tutorial slot

ACHIEVEMENT OF LEARNING OUTCOMES

Achievement of learning outcomes will be determined by passing the assessment for the class.

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REQUIRED READING

READING

The text for the class is Taxation - Finance Act 2019 by Alan Melville published by Pearson

LECTURE PROGRAMME

Week		Melville text FA 2019
2	Introduction to UK Taxation Sources of law; use of Lexus-Nexis (Butterworth) web site , the tax year; Administration; Self Assessment; Appeals/Tribunals; Avoidance and Evasion Taxable persons; Income classification; non-taxable income; rates of tax. Proposals on General Anti-abuse rule (GAAR)	Chaps 1 – 2 Ignore REITS
3	Taxation of Traders Badges of Trade; Taxable income; case law Allowable /disallowable expenditure –This is a core area and highly examinable. Read notes on myplace.	Chapter 9
4	Capital Allowances (CA) Qualifying assets; CA computations; impact of CYB rules Another ‘must know’ area of tax. Impact on profits	Chaps 11
5	New rules from April 2012 will be taught Current Year Basis (CYB); Commencement and Cessation; Change of accounting date (NOT examined). Tutorial questions will be given out.	Chapter 10 and 13
6 and 7	Computation of Income Tax (IT) liability Personal tax computations; taxing of savings income personal allowances and rates; annual charges; husband/wife taxation. Payment dates for IT.	Chapter 2 Chaps 3,4,6.

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8	Introduction to Corporation Tax (CT). Assembling Income; Basis of assessment; Accounting Periods; CT self assessment (CTSA). Payment of CT. New rates of CT	Chapter 23
9	Computation of trading profits; Investment income; FII; annual charges; Company as a tax planning vehicle Intro to Company CGT rules	Chaps 24 Ch 25
	More on Company CGT- IA ; assets held at 31/3/82 Workshop	
10	Introduction to basic principles	
11	CGT – chattels; losses; charge to CGT and payment; Rollover/Holdover reliefs Revision and reminders	Chap 17 Chap18