



CURRICULUM GUIDELINES

A. Division: *Instruction*
B. Department / Commerce & Business Admin.
Program Area Accounting Management

Effective Date:

New Course

Revision

If Revision, Section(s)
Revised

F, H and P

Date Last Revised:

Date of Current Revisi

F: Calendar Description: This course introduces t by

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- M:** Course Objectives/Learning Outcomes
At the end of the course, the successful student should be able to:
1. demonstrate the use of the Canadian Income Tax Act to solve various tax issues;
 2. prepare personal income tax returns and schedules with varying degrees of complexity;
 3. prepare corporate income tax returns and schedules;
 4. demonstrate the effective use of income tax software;
 5. demonstrate knowledge of special topics pertaining to both individual and corporate taxation.

N: Course Content:

1. Overview of Income Tax Act:
 - 1.1 History and structure of Income Tax Act
 - 1.2 Taxable vs. non-taxable income
 - 1.3 Liability for tax
 - 1.4 Income sourcing; income aggregating
 - 1.5 Total income vs. net income vs. taxable income

2. Preparation of Personal Income Tax Returns:
 - 2.1 Income from employment or office:
 - 2.1.1 Wages, salaries, commissions, tips, etc.
 - 2.1.2 Taxable and non-taxable benefits
 - 2.1.3 Source deductions
 - 2.1.4 Available deductions and limitations
 - 2.2 Business (self-employed) income:
 - 2.2.1 Professional, business, commissions, etc.
 - 2.2.2 Available deductions and limitations
 - 2.2.3 Reconciliation of accounting income to income for tax purposes
 - 2.3 Capital cost allowance, eligible capital property:
 - 2.3.1 Comparison to accounting amortization expense
 - 2.3.2 Asset classes and rates
 - 2.3.3 Rules for computations, including half-year rule
 - 2.3.4 Recapture, terminal loss
 - 2.4 Income from property, other income:
 - 2.4.1 Rental income/expenses
 - 2.4.2 Interest, taxable dividends
 - 2.4.3 EI, WCB, social assistance
 - 2.4.4 Pensions, RRSPs, other deferred income
 - 2.5 Capital gains and losses:
 - 2.5.1 Capital gains/losses vs. income gains/losses
 - 2.5.2 Adjusted cost base.
 - 2.5.3 Eligible capital property
 - 2.5.4 Personal use property, listed personal property
 - 2.5.5 Deemed dispositions
 - 2.5.6 Principal residence rules
 - 2.5.7 ExempBDCBT/TT3 1 Tf0.0008.9 0 0 10.9 144.89 15756.4808 Tm(m)Tj0j1-4801008.3.99

- 2.8 Special cases and topics:
 - 2.8.1 Tax planning, avoidance, evasion
 - 2.8.2 Residency
 - 2.8.3 Home Ownership Plan, Lifelong Learning Plan
 - 2.8.4 Goods and Services Tax
 - 2.8.5 Administration, assessment, enforcement of Income Tax Act
 - 2.8.6 Allowable Business Investment Losses (ABIL)

- 3. Preparation of Corporate Tax Returns:
 - 3.1 Calculation of taxable income for corporations:
 - 3.1.1 Active vs. non-active business income
 - 3.1.2 Investment income, dividend income (comparison to individuals)
 - 3.1.3 T2 return and schedules required
 - 3.2 Calculation of taxes payable:
 - 3.2.1 Small business deduction
 - 3.2.2 Federal tax abatement
 - 3.2.3 Other credits, surtaxes
 - 3.2.4 Part I and Part IV taxes payable
 - 3.2.5 Refundable Dividend Tax on Hand (RDTOH); dividend refund

- 4. Use of Income Tax Software:
 - 4.1 Demonstration of income tax program
 - 4.2 Preparation of personal income tax returns and schedules using the income tax software
 - 4.3 Preparation of a corporate income tax return and schedules using the income tax software

- 5. Special Topics in Taxation:
 - 5.1 Taxation as a continually evolving system
 - 5.2 Interpretation of existing and new tax legislation
 - 5.3 Integration of corporate and personal taxes
 - 5.4 Taxable vs. tax-free (capital) dividends

O: Methods of Instruction

Lecture, demonstration and discussion. Students will be required to do selected assignments on a computer (outside of class).

P: Textbooks and Materials to be Purchased by Students

Clarence Byrd and Ida Chen. Canadian Tax Principles, latest edition, Pearson Education Canada. Income Tax Act, latest edition.

Any one of

Q: Means of Assessment

Group Project	05%
Computer assignments, using tax software	08%
Other assignments and/or quizzes	12%
Midterm Examinations (2)	40%
Final Examination-Comprehensive	<u>35%</u>
	100%

STUDENTS MUST WRITE BOTH THE MIDTERM EXAMINATIONS AND THE FINAL EXAMINATION TO OBTAIN CREDIT FOR THE COURSE.

R: Prior Learning Assessment and Recognition: specify whether course is open for PLAR

This course is not open to PLAR.

Course Designer(s) **Elizabeth Hicks**

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Dean / Director **Jim Sator**

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