FACULTY

<table>
<thead>
<tr>
<th>Instructor Name</th>
<th>Office Room Number</th>
<th>Office Hours</th>
<th>Phone</th>
<th>Email Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Muhammad Shuja CPA, CA, MBA, B.Engg</td>
<td>V-126</td>
<td>By appointment OR see note below.</td>
<td></td>
<td><a href="mailto:mshuja@uwo.ca">mshuja@uwo.ca</a></td>
</tr>
</tbody>
</table>

**Note:** After each lecture on Friday, I will stay there as long as it takes to answer all the questions of all the students.

<table>
<thead>
<tr>
<th>Section</th>
<th>Instructor</th>
<th>Day</th>
<th>Time</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>550</td>
<td>Muhammad Shuja</td>
<td>Fridays</td>
<td>8:30 am - 11:30 am</td>
<td>HC W106</td>
</tr>
</tbody>
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**COURSE OBJECTIVE**

Course objectives

To learn and practice advanced concepts in Canadian Income Tax and gain familiarity with the Income Tax Act. Building upon the knowledge and skills of Introduction to Taxation in Canada – MOS3362A/B, students who successfully complete Advanced Issues in Canadian Taxation – MOS4462A/B will be able to:

- Assemble and properly arrange complex and diverse financial information in order to accurately calculate net income, taxable income and federal income tax payable for corporations, trusts and taxpayers involved in partnerships.
- Identify opportunities to minimize tax consequences of financial transactions involving corporations and their shareholders and generate multiple solutions.
- Develop a solution to a tax planning scenario in order to minimize the tax consequences by balancing both short and long term taxpayer objectives and communicate their recommendations in a professional format.

**PRE-REQUISITES**

Personal Tax (MOS 3362A/B) and enrolment in 4th year of BMOS.

It is the student’s responsibility for ensuring that course prerequisites have been completed successfully or special permission from the Dean obtained. According to Senate regulation: "Unless you have either the requisites for this course or written special permission from your Dean to enroll in it, you may be removed from this course and it will be deleted from your record. This decision may not be appealed. You will receive no adjustment to your fees in the event that you are dropped from a course for failing to have the necessary prerequisites."

**TEXTBOOKS**

## EVALUATION

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Percentage of course grade</th>
</tr>
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<tbody>
<tr>
<td><strong>Quiz</strong></td>
<td></td>
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<tr>
<td>Date: Friday, Sept 28.</td>
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<tr>
<td>Time: 8:30 am - 10:30 am</td>
<td>15%</td>
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<tr>
<td>Location: In-Class</td>
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<tr>
<td><strong>Midterm Exam</strong></td>
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<tr>
<td>Date: Friday, November 16.</td>
<td>25%</td>
</tr>
<tr>
<td>Time: 8:30 am - 11:30 am (3 Hours)</td>
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</tr>
<tr>
<td>Location: Kingsmill</td>
<td></td>
</tr>
<tr>
<td>Participation</td>
<td>15%</td>
</tr>
<tr>
<td>Final Exam (TBD)</td>
<td>45%</td>
</tr>
</tbody>
</table>

** There will be no make up for the quiz under any circumstance. If proper documentation is presented for a missed quiz, the quiz will not be written, instead the 15% will be reallocated to the final exam, in which case the final exam will be worth 60% of the final grade.

## EXAMINATIONS

"Students who fail to appear for a test/examination at the time set in the timetable will not be allowed to write the examination thus missed. Students should report this irregularity immediately to the office of their Dean. They may, with the approval of the chairman of the department concerned, petition the dean for standing or permission to write a special examination. Petitions will be entertained only when they are submitted on compassionate grounds with supporting documents." See the current Western Calendar.

## POLICY ON SPECIAL EXAMINATIONS

1. Students with conflicts or students who are unable to write based on compassionate grounds (supported by appropriate documents), may apply in writing prior to the exam to the course coordinator to for special proctoring privileges to write examinations at another time.
2. Students involved with approved out-of-town university activities during the scheduled mid-term exam may apply to the course coordinator for special proctoring privileges to write the mid-term exam.
3. Students will not be excused from the writing of the mid-term exam under any circumstances.

## CLASS STRUCTURE & HOW TO DO WELL IN THIS COURSE:

1. Come to class every class, no exceptions.
2. Prepare all the practice problems before the class in which they will be taken up
3. When preparing the practice cases, do not look at the suggested solutions first. Learning involves making mistakes and then correcting them. Please allow yourself to benefit from the process of making mistakes.
4. Read the Powerpoint slides before each lecture. Use the textbook when you need more detail than the Powerpoint slides contain.
5. Do the practice Exercises in the text book.
6. Stay up to date with the material, you can’t afford to fall behind.
7. Do as many extra problems as you possibly can find time for.

Important: This is not a course to take for easy credit. It is extremely challenging, and there is an incredible amount of information for you to learn and remember. My number one hint is: Practice. That is also my number two and three hint.

**PRACTICE PRACTICE PRACTICE**
TESTS/EXAMS
The exams will consist of a combination of multiple choice questions and problems, similar to problems assigned in the textbook. You will be permitted to bring a calculator and 2 sheets of notes (8.5” x 11” pages, double sided). Note: Cheat Sheets must be hand written by YOU: NO PRINT OUTS NO PHOTOCOPIES. Anything other than hand written cheat sheet will be taken away.
No other items will be permitted at your desk in the examination room. This includes dictionaries, cell phones, PDA’s, CD players, iPod’s, etc. These rules will be strictly enforced as it is my responsibility to do everything possible to prevent cheating on examinations.

PARTICIPATION
1. 15% of your final grade will be a result of your contribution to class discussion.
2. It is expected that you will arrive on time, and be ready to work when you arrive.
3. I will evaluate your participation efforts after each class, taking into consideration both the quality of your participation and the quantity.
4. Quality is more important than quantity.
5. It is not anticipated that we will encounter any problems with poor preparation for class, disruptive behaviour, or frequent lateness or absences, however, should you choose to behave in any of these ways, you will experience a negative impact on your participation mark. I appreciate it very much when students advise me that they will be late, have to leave early, or will be absent from class.
6. The main objective of contributing to class discussion is not to be evaluated, but rather to learn, and to assist other members of the class (including the instructor) to learn.
7. The following might assist you in deciding on how you will contribute to the class:
   - **90% to 100% – Excellent contribution**
     - Consistent contribution to class discussions
     - Contributions indicated preparation for class by pre reading and thinking about assigned material, and making an initial attempt at assigned problems
     - Frequently explains difficult points or concepts
     - Positive direction demonstrated consistently
   - **70% to 80% – Good contribution**
     - Consistent contribution to class discussions
     - Contributions indicated preparation for class by pre reading assigned material
     - Often demonstrates the capability to explain difficult points or concepts
     - Positive direction demonstrated consistently
   - **60% – Fair contribution**
     - Contributed to class discussions
     - Contributions indicated preparation for class
     - Positive direction demonstrated most of the time
   - **40% to 50% – Poor contribution**
     - Contributed to class discussions infrequently
     - Contributions give little indication of preparation for class
     - Did not aid in developing a positive classroom atmosphere
   - **less than 40% – Unsatisfactory contribution**
     - Rarely contributed to class discussions
     - Gave no indication of preparation for class
     - Actively inhibited or impeded the course of class discussions

- PLEASE NOTE: Participation marks must be earned. They are not negotiable, however it is important that you understand why you get the mark that you do, so I am always available to discuss matters like this.
  You should seek feedback on how you are doing at least once during the term. You are encouraged to seek feedback multiple times during the term.
General Information:
If, on medical or compassionate grounds, you are unable to meet your academic responsibilities, i.e., unable to write term tests or final examinations or complete course work by the due date, you should follow the instructions listed below. You should understand that academic accommodation will not be granted automatically on request. You must demonstrate that there are compelling medical or compassionate grounds that can be documented before academic accommodation will be considered. Read the instructions carefully. In all cases, action must be taken at the earliest possible opportunity, preferably prior to the scheduled examination, test or assignment.

1. Check the course outline to see if the instructor has a policy for missed tests, examinations, late assignments or attendance. The course outline should include the preferred method of contact (e-mail, phone, etc.).
2. Inform the instructor prior to the date of the scheduled time of the test or examination or due date of the assignment. If you are unable to contact the instructor, leave a message for him/her at the department office.
3. If you decide to write a test or an examination you should be prepared to accept the mark you earn. Rewriting tests or examinations or having the value of the test or examination reweighted on a retroactive basis is not permitted.

TERM TESTS and MID-TERM EXAMS
1. If you are unable to write a term test, inform your instructor (preferably prior to the scheduled date of the test). If the instructor is not available, leave a message for him/her at the department office.
2. Be prepared, if requested by the instructor, to provide supporting documentation (see below for information on acceptable forms or documentation). Submit your documentation to the Academic Advising Office.
3. Make arrangements with your professor to reschedule the test.
4. The Academic Advising Office will contact your instructor to confirm your documentation.

FINAL EXAMINATIONS
1. You require the permission of the Dean, the instructor, and the Chair of the department in question to write a special final examination.
2. If you are unable to write a final examination, contact the Academic Advising Office in the first instance to request permission to write a special final examination and to obtain the necessary form. You must also contact your instructor at this time. If your instructor is not available, leave a message for him/her at the department office.
3. Be prepared to provide the Academic Advising Office and your instructor with supporting documentation (see below for information on documentation).
4. You must ensure that the Special Examination form has been signed by the instructor and Department Chair and that the form is returned to the Academic Advising Office for approval without delay.

Note: Make sure you know the date, time and location of the special examination. For more information see Examinations - Common Situations.

SHORT ABSENCES
If you miss a class due to a minor illness or other problems, check your course outlines for information regarding attendance requirements and make sure you are not missing a test or assignment. Cover any readings and arrange to borrow notes from a classmate.

EXTENDED ABSENCES
If you are absent more than approximately two weeks or if you get too far behind to catch up, you should consider reducing your workload by dropping one or more courses. This must be done by the appropriate deadlines. (Refer to the Registrar’s website for official dates.) The Academic Advisors can help you to consider the alternatives. At your request, they can also keep your instructors informed of your difficulties.

DOCUMENTATION
- Personal Illness: If you consult Student Health Services regarding your illness or personal problem, you should request a Student Medical Certificate from the physician. Once your documentation has been assessed, the academic counsellor will inform your instructor that academic accommodation is warranted.
If you were seen by an off-campus doctor, obtain a certificate from his/her office at the time of your visit. The off-campus medical certificate form must be used. [http://www.uwo.ca/univsec/pdf/academic_policies/appeals/accommodation_medical.pdf](http://www.uwo.ca/univsec/pdf/academic_policies/appeals/accommodation_medical.pdf) The doctor must provide verification of the severity of the illness for the period in question. Notes stating "For Medical Reasons" are not considered sufficient.

- **In Case of Serious Illness of a Family Member:** Obtain a medical certificate from the family member's physician.
- **In Case of a Death:** Obtain a copy of the newspaper notice, death certificate or documentation provided by the funeral director.
- **For Other Extenuating Circumstances:** If you are not sure what documentation to provide, ask an Academic Counsellor.

**Note:** Forged notes and certificates will be dealt with severely. To submit a forged document is a scholastic offense (see below) and you will be subject to academic sanctions.

### TENTATIVE Lecture Schedule

#### FALL 2016

<table>
<thead>
<tr>
<th>Week of</th>
<th>CLASS</th>
<th>TOPIC AND ASSIGNMENT</th>
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| Sept 7  | 1     | Introduction to course Partnerships and Trusts  
Readings: Byrd and Chen, Chapter 18, pages 931-953 (Transfer of Property to and from a Partnership – not covered)  
Assignment problems: 18-4, 18-5, 18-6  
Readings: Byrd and Chen, Chapter 19  
Assignment Problems: 19-1, 19-2, 19-5, 19-6 |
| Sept 14 | 2     | Partnerships and Trusts, continued |
| Sept 21 | 3     | International Issues in Taxation  
Readings: Byrd and Chen, Chapter 20  
Assignment Problems: 20-3, 20-4, 20-6, 20-8, 20-10 |
| Sept 28 | 4     | International Issues in Taxation, continued  
Review Corporate Tax Calculation  
Review readings: Byrd and Chen, Chapters 5, 6 (Business Income), 7 (Integration) and 12 AP 12-10  
Taxation of Corporate Investment Income  
Topic: Integration  
Assignment Problem: 13-1 |
| Sept 28 | 4     | Quiz  
Chapters: 18, 19 & 20  
Time: 8:30 am - 10:30 am (2 Hours)  
Room #: In-Class |
| Oct 5   | 5     | Taxation of Corporate Investment Income  
Topics: Refundable Taxes on Investment Income (Part I, Part IV), RDTOH, Designation of Eligible Dividends (GRIP & LRIP)  
Assignment Problem: 13-3, 13-5, 13-6 |
<table>
<thead>
<tr>
<th>Oct 12</th>
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<th>Reading Week (Oct 8 - Oct 12)</th>
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<tr>
<td>Oct 19</td>
<td>6</td>
<td>Other Issues in Corporate Taxation</td>
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<tr>
<td></td>
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<td>Topic: Acquisition of Control, Associated Corporations, Investment Tax Credits, Tax Basis Shareholders' Equity</td>
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<td>Assignment Problems: 14-1, 14-3, 14-5</td>
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<td>Oct 26</td>
<td>7</td>
<td>Other Issues in Corporate Taxation, continued</td>
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<td></td>
<td>Readings, Byrd and Chen, Chapter 14, Topic: Distributions of Corporate Surplus</td>
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<td>Assignment Problem: 14-6, 14-7</td>
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<td>Nov 2</td>
<td>8</td>
<td>Corporate Taxation and Management Decisions</td>
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<tr>
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<td>Readings: Byrd and Chen, Chapter 15, Topics: Deciding to Incorporate, Provincial Taxes and Integration, Tax Free Dividends, Income Splitting</td>
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<td>Assignment Problems: 15-2, 15-8</td>
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<tr>
<td>Nov 9</td>
<td>9</td>
<td>Corporate Taxation and Management Decisions, continued</td>
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<td>Topics: Shareholder Benefits, Management Compensation Decisions, Salary vs. Dividends for the Owner-Manager</td>
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<td>Assignment Problem: 15-7, 15-9, 15-10</td>
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<tr>
<td>Nov 16</td>
<td>10</td>
<td>Midterm Exam</td>
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<td></td>
<td></td>
<td>Chapters: 12, 13 &amp; 14</td>
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<td></td>
<td></td>
<td>Date: Time: 8:30 am - 11:30 am (3 Hours)</td>
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<tr>
<td></td>
<td></td>
<td>Room #: Kingsmill</td>
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<tr>
<td>Nov 23</td>
<td>11</td>
<td>Rollovers Under Section 85</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Topics: General Rules, Transfer Prices – Detailed Rules, Allocation of Elected Value, Paid Up Capital of Shares Issued, Comprehensive Example</td>
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<tr>
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<td>Assignment Problems: 16-2, 16-3, 16-5, 16-7</td>
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<tr>
<td>Nov 30</td>
<td>12</td>
<td>Rollovers Under Section 85, continued</td>
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<td>Topics: Gift to Related Person, Excess Consideration, Dividend Stripping, Capital Gains Strips</td>
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<td>Assignment Problems: 16-9, 16-10, 16-11</td>
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<tr>
<td>Dec 7</td>
<td>13</td>
<td>Other Rollovers and Sale of an Incorporated Business</td>
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<td>Topics: Share for Share Exchanges, Exchange of Shares in a Reorganization, Amalgamations, Winding up of a 90% Owned Subsidiary</td>
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<tr>
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<td></td>
<td>Assignment Problems: 17-1, 17-3, 17-5, 17-8</td>
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**FINAL EXAMINATION**
Chapters: 15, 16 & 17
The Appendix to Course Outlines is posted on the OWL course site.