



EFFECTIVE: MAY, 2008
CURRICULUM GUIDELINES

A. Division: Education Effective Date: May, 2008

B. Department / Commerce & Business Admin. New Course Revision
 Program Area Accounting Management

If Revision, Section(s) H
 Revised
 Date Last Revised:
 Date of Current Revision: May, 2008

C: ACCT 3370 **D:** Income Tax I **E:** 3

Subject & Course No.	Descriptive Title	Semester Credits						
F: Calendar Description:								
<p>This course introduces the student to Canadian income tax concepts for individuals. Topics include: the structure of the Income Tax Act, computation of income by source, deductions, net income, taxable income, and taxes payable. Students will be required to use a recognized income tax software program to prepare selected assignments. This is a very heavy course. Students are strongly advised to take ACCT2310 or ACCT 2410 as a prerequisite.</p>								
<p>G: Allocation of Contact Hours to Type of Instruction / Learning Settings</p> <p>Primary Methods of Instructional Delivery and/or Learning Settings:</p> <p>Lecture</p> <p>Number of Contact Hours: (per week / semester for each descriptor)</p> <p>Lecture 4 Hours per week</p> <p>Number of Weeks per Semester:</p> <p>15 weeks X 4 Hrs. per week = 60 Hrs.</p>	<p>H: Course Prerequisites: (ACCT 1210 or ACCT 1235 with minimum grade of B-) and (CSIS 1110 or CSIS 2200) and CMNS 1115 with minimum grade of C. Strongly recommended: ACCT 2310 and/or ACCT 2410.</p>							
	<p>I: Course Corequisites: Nil</p>							
	<p>J: Course for which this Course is a Prerequisite ACCT 3470</p>							
	<p>K: Maximum Class Size: 35</p>							
<p>L: PLEASE INDICATE:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%; border: 1px solid black; text-align: center;"><input type="checkbox"/></td> <td>Non-Credit</td> </tr> <tr> <td style="border: 1px solid black; text-align: center;"><input type="checkbox"/></td> <td>College Credit Non-Transfer</td> </tr> <tr> <td style="border: 1px solid black; text-align: center;"><input checked="" type="checkbox"/></td> <td>College Credit Transfer:</td> </tr> </table> <p style="text-align: center;">SEE BC TRANSFER GUIDE FOR TRANSFER DETAILS (www.bctransferguide.ca)</p>			<input type="checkbox"/>	Non-Credit	<input type="checkbox"/>	College Credit Non-Transfer	<input checked="" type="checkbox"/>	College Credit Transfer:
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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 (ITA) to solve various tax issues;
2. prepare personal income tax returns and schedules with varying degrees of complexity;
3. demonstrate the effective use of income tax software for personal returns (T1s);
4. demonstrate knowledge of special topics pertaining to individual taxation.

N: Course Content:1. Overview of Income Tax Act:

- 1.1 History and structure of Income Tax Act
- 1.2 Taxable entities
- 1.3 Liability for tax
- 1.4 Economic objectives of taxation
- 1.5 Qualitative characteristics of tax systems
- 1.6 Income sourcing
- 1.7 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, including stock options
 - 2.1.3 Computation of benefits, preparation of T4s
 - 2.1.4 Available deductions from employment income
- 2.2 Capital cost allowance, cumulative eligible capital
 - 2.2.1 Comparison to accounting amortization expense
 - 2.2.2 Capital cost for tax purposes, asset classes and rates
 - 2.2.3 Calculation of Capital Cost Allowance (CCA), including half-year rule
 - 2.2.4 Asset disposals, recapture, terminal loss
- 2.3 Business (self-employed) income:
 - 2.3.1 Professional, business, commissions, etc.
 - 2.3.2 Inclusions, reserves
 - 2.3.3 Available deductions and limitations
 - 2.3.4 Reconciliation of accounting income to income for tax purposes
- 2.4 Capital gains and losses:
 - 2.4.1 Capital gains/losses vs. income gains/losses
 - 2.4.2 Adjusted cost base.
 - 2.4.3 Dispositions, calculation of gain/loss, reserves
 - 2.4.4 Personal use property, listed personal property
 - 2.4.5 Principal residence rules
- 2.5 Income from property, other income:
 - 2.5.1 Rental income/expenses
 - 2.5.2 Interest, taxable dividends, royalties
 - 2.5.3 EI, WCB, social assistance, shareholder benefits
 - 2.5.4 Pensions, RRSPs, other deferred income
- 2.6 Computation of taxable income:
 - 2.6.1 Deductions from total income (e.g. moving, child care, spousal support, RRSPs)
 - 2.6.2 Deductions from net income, including losses of other years
- 2.7 Computation of taxes payable:
 - 2.7.1 Non-refundable tax credits
 - 2.7.2 Federal and Provincial taxes payable
 - 2.7.3 Dividend tax credit and other available credits
 - 2.7.4 Federal and Provincial surtaxes, Provincial tax credits
- 2.8 Retirement savings and other special income arrangements
 - 2.8.1 Registered Pension Plans (RPPs)
 - 2.8.2 Registered Retirement Savings Plans (RRSPs) , including Home Buyers Plan and Lifelong Learning Plan
 - 2.8.3 Registered Retirement Income Funds (RRIFs)

	2.8.4	Deferred Profit Sharing Plans, salary deferrals
	2.8.5	Transfers between plans
	2.9	Other tax topics
	2.9.1	Tax planning, avoidance, evasion
	2.9.2	Residency
	2.9.3	Goods & Services Tax (GST)
	2.9.4	Administration, assessment, enforcement of ITA
	2.9.5	Allowable Business Investment Loss (ABIL)
	2.9.6	Registered Education Savings Plans (RESPs)
3.		<u>Use of Income Tax Software:</u>
	3.1	Demonstration of T1 income tax program
	3.2	Preparation of personal income tax returns and schedules using the income tax software
4.		<u>Special Topics in Taxation:</u>
	4.1	Taxation as a continually evolving system
	4.2	Interpretation of existing and new tax legislation

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 the following calculators:

1. Texas Instruments BA II Plus
2. Sharp EL 733A
3. Hewlett-Packard 10B

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**

Education Council / Curriculum Committee Representative

Dean / Director **Rosilyn Coulson**

Registrar **Trish Angus**

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