

Course Outline

Tax Planning and Decision Making For Managers

MBA

Winter 2015

1. General Information

Course Number	ACCO 695U
Credits	3
Room and Time	MB 6.425 Thursdays 17:45 – 20:15
Professor	Tara Ramsaran
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Office Hours	Thursdays 4 – 5pm

II. Course Description

Management decisions about marketing, production, finance, labour relations, strategy, and expansion are all made with the common goal of maximizing wealth and cash flow. Cash flow exists only on an after-tax basis; therefore every decision has a tax impact. This course examines the effect of Canadian income tax laws on business decision-making and financial planning. The Federal taxation of individuals, corporations, partnerships and trusts will be presented in a logical manner, whereby, the student can understand an entity's tax profile and identify general tax issues.

III. Learning Goals

- Acquire core knowledge regarding the Federal taxation of individuals, corporations, partnerships and trusts;
- Analyze tax data to make decisions regarding individual compensation, various business structures and combinations for corporations and their shareholders;
- Use computer technology to apply tax concepts for a corporation.
- Analyze an entity's tax profile and identify general tax issues;
- Practice effective tax planning to optimize after tax returns.

IV. Teaching Method

Class time will be devoted to explaining the important elements of the law, highlighting problem areas, amplifying the text where necessary, resolving student queries, discussing solutions of cases and problems from the textbook and other sources. An oral presentation by a team will also take place. This oral presentation will consist on the analysis and solution of a case. A respective case analysis debriefing will follow. The team will be evaluated by the audience and the professor. Such an evaluation and feedback will be provided to the team the week after.

In order to be successful in meeting the course objectives, it cannot be stressed enough the importance for students to actually do numerous taxation problems and review the solutions.

V. Course Materials

- A. ***Canadian Income Taxation – Planning and Decision Making, 2014-2015*** edition, by Buckwold/Kitunen, published by McGraw-Hill Ryerson.
- B. Lecture Notes (LN) sent via Moodle. All the announcements posted in Moodle are integral part of the course; therefore, students are responsible for all assignments and information thereby announced.

C. **Text Online Learning Centre:** www.mcgrawhill.ca/olc/buckwold. This web site contains solutions to the end-of-chapter Review Questions from the text as well as over 500 interactive multiple-choice, true/false and short-answer questions with solutions. These questions are excellent for self-testing.

VI. Course Evaluation

The final mark for the course will be determined as follows:

Individual Hand-in Cases (Note 1)	15%
Group Corporate tax case (Note 2)	10
Group Oral Presentation (Note 3)	15
Participation (Note 4)	15
Midterm exam (Note 5)	20
Final Exam (Note 6)	25
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	100%
POSSIBLE BONUS MARK (Note 7)	5%

Note 1. Details for these cases will be announced in class or via moodle.

Note 2. Each group will be given a real life tax situation that must be solved using the Intuit tax software that is provided in the text. Details of the specific requirements will be attached to the case. Due on March 26, 2015

Note 3. Group Presentation consists of an oral presentation of maximum 15 minutes at the start of class. A schedule will be given to each group by the second week of class.

Note 4. Participation will be graded on an individual basis. Asking relevant questions to the team presenting, in class discussion of case solutions, answering questions posed by the instructor, etc....

Note 5. Covers topics from Lectures 1 to 5.

Note 6. Covers topics from Lectures 7 to 13.

Note 7. "Stump the teacher" Details will be given in class.

VII. Other Issues

DISCLAIMER

The professor reserves the right to change or update this outline, and any other course related materials, at any time. The student will be informed in a timely manner through Moodle and/or announcements during class.

ACADEMIC INTEGRITY

The Academic Code of Conduct at Concordia University states that the “integrity of University academic life and of the degrees, diplomas and certificates the University confers is dependent upon the honesty and soundness of the instructor-student learning relationship and, in particular, that of the evaluation process. As such, all students are expected to be honest in all of their academic endeavors and relationships with the University.” (Undergraduate Calendar or Graduate Calendar). All students enrolled at Concordia are expected to familiarize themselves with the contents of this Code.

You are strongly encouraged to visit the following web address:

<http://johnmolson.Concordia.ca/ugrad/codeofconduct.pdf> which provides useful information about proper academic conduct.

GRADING

A+	95-100%	B+	80-84%	C	60-69%
A	90-94%	B	75-79%	F	0-59%
A-	85-89%	B-	70-74		

VIII. READINGS AND QUESTIONS/PROBLEMS/CASES

Class #	Topic	Text reading(s)	Suggested Problems KCQ- Key Concept Questions P – Problems (Highlighted ones to be done in class) DC – Discussion Cases
1 Jan 8	Taxation – Its Role in Decision Making Fundamentals of Tax Planning Liability for Tax, Income Determination	Chap 1 Chap 2 Chap 3 (Ignore Part V.)	KCQ 1, 4, P 2, DC 1
2 Jan 15	Income from Employment:	Chap 4	KCQ 2, 4, 6 P 1, 2, 3, 5 , 11
3 Jan 22	Income for Business	Chap 5 (Ignore Part III Items C to J and Part IV)	KCQ 1, 4 P 1, 3, 5, 6 , 9 Group 1 Class Presentation
4 Jan 29	Other Income, Other Deductions (RRSP, RRP and TFSA) Individual Taxable Income and Taxes (Ignore Provincial taxes)	Chap 9 (Parts III to IV only) Chap 10 (Parts I to V only)	KCQ 1, 4 KCQ 8, 9 P 4 , 7 Hand-in Case 1
5 Feb 5	Corporations-An Introduction Organization, Capital Structure, and Income Distributions of Corporations (Ignore Supplement-page 475-485)	Chap 11 Chap 12	KCQ 4, 8 P 1, 4, 5, 7 KCQ 2, 3, 5 P 1, 2, 8 Group 2 Class Presentation
6 Feb 12	Mid-term exam in class 2 hrs Covers topics from Lectures 1 to 5		Exercises, Problems and Short Cases

7 Feb 19	The Canadian-Controlled Private Corporation	Chap 13	KCQ 1, 5, 7, 13 P 1, 2, 7, 9, 10
8 Mar 5	Multiple Corporations and Their Reorganization	Chap 14	KCQ 1, 2, 3, 4 P 1, 2, 3, 5 DC 1 Group 3 Class Presentation
9 Mar 12	Other Forms of Business Organizations: Partnerships Trusts	Chap 15 Chap 17 (Ignore Part IV)	KCQ 4, 6 P 2 , 3 KCQ 1, 3 P 1 Hand-in Case 2
10 Mar 19	Business Acquisitions and Divestures	Chap 18 (Ignore Part VI)	KCQ 1, 2, 3 P 2, 4, 5 Group 4 Class Presentation
11 Mar 26	Business Acquisitions and Divestures -Tax-Deferred Sales	Chap 19	KCQ 2, 6 P 2 , 3, 5
12 Apr 2	Domestic and International Business Expansion	Chap 20	P 1, 3 GUESS SPEAKER Hand-in Case 3
13 Apr 9	Tax Aspects of Corporate Financing Review for Final Exam	Chapter 21	P 2, 3 Group 5 Class Presentation

FINAL EXAM TBA

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Tara Ramsaran obtained the Bachelor of Commerce, Graduate Diploma in Accountancy and the MBA degrees at Concordia University and is a member of the Beta Gamma Sigma Society. She obtained her CA in 1987 and the CPA in 1996. She specializes in the areas of taxation and accounting. Professor Ramsaran teaches advanced taxation courses in both undergraduate and graduate programs (CPA and MBA). She also coaches the taxation team for the annual “Jeux de Commerce” competition and she presents tax seminars to CPA candidates in the Diploma in Chartered Accountancy program at John Molson School of Business.

She has over 25 years of experience in providing accounting, auditing, financial and taxation services to various entities – corporations, not for profit organizations and individuals.