

**Business A732  
Canadian Income Tax Fundamentals  
Summer 2019 Course Outline**

**Accounting and Financial Management Services Area  
DeGroote School of Business  
McMaster University**

**INSTRUCTOR AND CONTACT INFORMATION**

**Section C01 E: Thursday 19:00 – 22:00**

Class Location: RJC/TBA

**Eric Bentzen-Bilkvist**

Instructor

[ericb@petmas.ca](mailto:ericb@petmas.ca)

Office: TBA

Office Hours: To be arranged

Tel: Office:(905) 522-6555, x4

**COURSE ELEMENTS**

Credit Value:	3	Leadership:	No	IT skills:	No	Global view:	Yes
Avenue:	No	Ethics:	Yes	Numeracy:	Yes	Written skills:	Yes
Participation:	Yes	Innovation:	Yes	Group work:	No	Oral skills:	Yes
Evidence-based:	No	Experiential:	Yes	Final Exam:	Yes	Guest speaker(s):	No

**COURSE DESCRIPTION**

This course is designed to achieve the following objectives:

- (1) to apply the law in practical problems and case settings,
- (2) to introduce basic tax planning concepts through problem application.

## REQUIRED COURSE MATERIALS AND READINGS

**TEXTBOOK:** We will use the following textbook available from the McMaster bookstore.

- R.E. Beam and S.N. Laiken, *Introduction to Federal Income Taxation in Canada*, 2018 - 2019, 39<sup>th</sup> edition with *Student Study Guide*, CCH Canadian Limited, North York, Ontario 2018.

*\*Due to the volatile nature of the law governing the study of income tax, students should not attempt the course without the current book.*

## EVALUATION

Students are expected to do the required readings and keep up with the exercises and assignments at the end of each chapter in the Beam & Laiken text. Class preparation is essential if the student wishes to obtain maximum benefit from class work.

The prime teaching method is class discussion and solving of assigned problems. During the discussion of an assigned problem the instructor will make overview comments, explain the underlying concepts or rationale of the material being applied and emphasize a systematic approach to problems. Extended lectures will not be given on materials that students can read and understand through application.

### ***Components and Weights***

The components of the course grade will be weighted as follows:

<i>COMPONENT</i>	<i>PERCENT</i>
Midterm	50%
Final	50%
<b>Total</b>	<b>100%</b>

The mid-term examination will be graded on a numerical marking scheme. Students will be informed how the numerical marks can be interpreted in terms of the official letter-grade scale at the time the exams are returned.

The instructor reserves the right to adjust grades for class participation or in the event significant improvement is noted on the final exam.

If you have any specific questions in this regard, please ask.

- NOTE:**
1. Use of one 8½" x 11" sheet of paper containing notes and a calculator are permitted in the exam.
  2. The use of a McMaster standard calculator is allowed during examinations in this course. See McMaster calculator policy at the following URL:

<http://www.mcmaster.ca/policy/Students-AcademicStudies/examinationindex.html>

## **Grade Conversion**

At the end of the course your overall percentage grade will be converted to your letter grade in accordance with the following conversion scheme.

LETTER GRADE	PERCENT	POINTS
A+	90 - 100	12
A	85 - 89	11
A-	80 - 84	10
B+	75 - 79	9
B	70 - 74	8
B-	60 - 69	7
F	00 - 59	0

## **Communication and Feedback**

Students that are uncomfortable in directly approaching an instructor regarding a course concern may send a confidential and anonymous email to the respective Area Chair or Associate Dean:

<http://mbastudent.degroote.mcmaster.ca/contact/anonymous/>

Students who wish to correspond with instructors or TAs directly via email must send messages that originate from their official McMaster University email account. This protects the confidentiality and sensitivity of information as well as confirms the identity of the student. Emails regarding course issues should NOT be sent to the Administrative Assistant.

## **ACADEMIC DISHONESTY**

It is the student's responsibility to understand what constitutes academic dishonesty. Please refer to the University Senate Academic Integrity Policy at the following URL:

<http://www.mcmaster.ca/policy/Students-AcademicStudies/AcademicIntegrity.pdf>

This policy describes the responsibilities, procedures, and guidelines for students and faculty should a case of academic dishonesty arise. Academic dishonesty is defined as to knowingly act or fail to act in a way that results or could result in unearned academic credit or advantage. Please refer to the policy for a list of examples. The policy also provides faculty with procedures to follow in cases of academic dishonesty as well as general guidelines for penalties. For further information related to the policy, please refer to the Office of Academic Integrity at:

<http://www.mcmaster.ca/academicintegrity>

## **MISSED ACADEMIC WORK**

### ***Missed Mid-Term Examinations / Tests / Class Participation***

Where students miss a regularly scheduled mid-term or class participation for legitimate reasons as determined by the MBA Academic Services Office, the weight for that test/participation will be distributed across other evaluative components of the course at the discretion of the instructor. Documentation explaining such an absence must be provided to the MBA Academic Services Office within five (5) working days upon returning to school.

To document absences for health related reasons, please provide the Petition for Relief for MBA Missed Term Work and the McMaster University Student Health Certificate which can be found on the DeGroot website at <http://mbastudent.degroot.mcmaster.ca/forms-and-applications/>. Please do not use the online McMaster Student Absence Form as this is for Undergraduate students only. University policy states that a student may submit a maximum of three (3) medical certificates per year after which the student must meet with the Director of the program.

To document absences for reasons other than health related, please provide the Petition for Relief for MBA Missed Term Work and documentation supporting the reason for the absence.

Students unable to write a mid-term at the posted exam time due to the following reasons: religious; work-related (for part-time students only); representing university at an academic or varsity athletic event; conflicts between two overlapping scheduled mid-term exams; or other extenuating circumstances, have the option of applying for special exam arrangements. Such requests must be made to the MBA Academic Services Office at least ten (10) working days before the scheduled exam along with acceptable documentation. Instructors cannot themselves allow students to unofficially write make-up exams/tests. Adjudication of the request must be handled by the MBA Academic Services Office.

If a mid-term exam is missed without a valid reason, students will receive a grade of zero (0) for that component.

### ***Missed Final Examinations***

A student who misses a final examination without good reason will receive a mark of 0 on the examination.

All applications for deferred and special examination arrangements must be made to the MBA Academic Services Office. Failure to meet the stated deadlines may result in the denial of these arrangements. Deferred examination privileges, if granted, must be satisfied during the examination period at the end of the following term. There will be one common sitting for all deferred exams.

Failure to write an approved deferred examination at the pre-scheduled time will result in a failure for that examination, except in the case of exceptional circumstances where

documentation has been provided and approved. Upon approval, no credit will be given for the course, and the notation N.C. (no credit) will be placed on the student's transcript. Students receiving no credit for a required course must repeat the course. Optional or elective courses for which no credit is given may be repeated or replaced with another course of equal credit value.

Requests for a second deferral or rescheduling of a deferred examination will not be considered.

Any student who is unable to write a final examination because of illness is required to submit the Application for Deferred MBA Final Examination and a statement from a doctor certifying illness on the date of the examination. The Application for Deferred MBA Final Examination and the McMaster University Student Health Certificate can be found on the DeGroot website at <http://mbastudent.degroot.mcmaster.ca/forms-and-applications/> Please do not use the online McMaster Student Absence Form as this is for Undergraduate students only. Students who write examinations while ill will not be given special consideration after the fact.

In such cases, the request for a deferred examination privilege must be made in writing to the MBA Academic Services Office within five business days of the missed examination.

Special examination arrangements may be made for students unable to write at the posted exam time due to compelling reasons (for example religious, or for part-time students only, work-related reasons):

- Students who have religious obligations which make it impossible to write examinations at the times posted are required to produce a letter from their religious leader stating that they are unable to be present owing to a religious obligation.
- Part-time students who have business commitments which make it impossible to write examinations at the times posted are required to produce a letter on company letterhead from the student's immediate supervisor stating that they are unable to be present owing to a specific job commitment.

In such cases, applications must be made in writing to the MBA Academic Services Office at least ten business days before the scheduled examination date and acceptable documentation must be supplied.

If a student is representing the University at an academic or athletic event and is available at an overlapping scheduled time of the test/examination, the student may write the test/examination at an approved location with an approved invigilator, as determined by the MBA Academic Services Office.

In such cases, the request for a deferred examination privilege must be made in writing to the MBA Academic Services Office within ten business days of the end of the examination period.

Note: A fee of \$50 will be charged for a deferred exam written on campus and a fee of \$100 for deferred exams written elsewhere. In cases where the student's standing is in doubt, the Graduate Admissions and Study Committee may require that the student with one or more deferred examination privileges refrain from re-registering until the examination(s) have been cleared.

## **STUDENT ACCESSIBILITY SERVICES**

Student Accessibility Services (SAS) offers various support services for students with disabilities. Students are required to inform SAS of accommodation needs for examinations on or before the last date for withdrawal from a course without failure (please refer to official university sessional dates). Students must forward a copy of such SAS accommodation to the instructor immediately upon receipt. If a student with a disability chooses NOT to take advantage of an SAS accommodation and chooses to sit for a regular exam, a petition for relief may not be filed after the examination is complete. The SAS website is:

<http://sas.mcmaster.ca>

## **POTENTIAL MODIFICATIONS TO THE COURSE**

The instructor and university reserve the right to modify elements of the course during the term. The university may change the dates and deadlines for any or all courses in extreme circumstances. If either type of modification becomes necessary, reasonable notice and communication with the students will be given with explanation and the opportunity to comment on changes. It is the responsibility of the student to check their McMaster email and course websites weekly during the term and to note any changes.

<b>COURSE SCHEDULE</b>
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The outline of the course will follow, sequentially, the chapters 1 to 14 in the Beam & Laiken text. We will be covering selected topics within each chapter

<b>Chapter</b>	<b>Topic</b>	<b>Approximate Duration</b>
1 & 2	Introduction and Liability for Income Tax	1 week
3	Employment Income	1 week
4	Income from Business	1 week
5	Depreciable Capital Property and Eligible Capital Property	1 week
6	Income from Property	1 week
7 & 8	Capital Gains: An Introduction & Capital Gains: The Finer Points	1 week
9	Other Sources of Income and Deductions in Computing Income	½ week
10	Computation of Taxable Income and Tax for Individuals	1½ weeks
11	Taxable Income and Tax for Corporations	1 week
12	The Concept of Integration The Small Business Deduction Income from Investments	1½ weeks
13	Planning the use of a Corporation	½ week
14	Obligations and Rights of the Taxpayer Powers and Obligations of Canada Customs And Revenue Agency	1 week