

COURSE CODE: BUAD 369

COURSE TITLE: Canadian Income Tax II

Calendar Description

This course builds on the topics introduced in BUAD 208. It explores tax treatment of complex transactions with respect to various sources of taxable income, tax planning for small business, calculation of tax liability and integration of the tax system. Both corporate and personal taxes are examined.

Prerequisite(s): BUAD 208

Co-requisite(s): None

Prerequisite For: None

Substitutable Courses: None

Graduation Requirement: BBA, Finance Specialty – Elective

Diploma, Accounting and Financial Services Options – Elective

Transfer Credit: CPA (credit with BUAD 208)

Special Notes: Students with credit for BUAD 281 cannot take BUAD 369 for further credit.

Credits: 3

Hours per Week: 4

Originally Developed: April 2003

EDCO Approval: May 2017

CHAIR'S APPROVAL: 

Learning Outcomes

- Outcome Upon completion of this course students will be able to:
- 1 **Calculate** GST/HST implications of various transactions.
 - 2 **Calculate** taxable income for an individual in non-routine situations.
 - 3 **Calculate** income taxes payable for a corporation in routine situations.
 - 4 **Prepare** corporate income tax returns using professional tax preparation software.
 - 5 **Advise** on tax consequences of different management compensation structures.

Course Objectives

- Objectives This course will cover the following content:
- 1 GST/HST
 - 2 Tax implications of stock options on employment income and taxable income
 - 3 CCA and capital gain implications of replacement property
 - 4 The capital gain/loss implications of non-arm's length transactions, deemed dispositions, foreign currency transactions and reserves
 - 5 Taxable income for individuals that have losses and a capital gain deduction
 - 6 Taxable income and tax payable for corporations
 - 7 Taxation of corporate investment income
 - 8 Corporate taxation and management decisions
 - 9 Procedures and administration

Professors

Name	Phone Number	Office	Email
Drew McGillivray (Course Captain)	ext. 4793	C107	dmcgillivray@okanagan.bc.ca

Evaluation Procedure

Term Work & Assignments	10 %
Mid-term Exams #1 & #2	45 %
Final Exam	45 %
Total**	100 %

What is the acceptable and approved use of Artificial Intelligence (AI) in this course

The use of generative artificial intelligence tools is strictly prohibited in all course assignments unless explicitly stated otherwise by the instructor in this course. This includes ChatGPT and other artificial intelligence tools and programs. Whenever generative AI tools are permitted and used, they must be appropriately cited. ([See How to cite ChatGPT \(apa.org\)](#))

Required Materials

Canadian Tax Principles Volumes 1 and 2, Byrd & Chen, 2023-2024 edition (or 2024-2025 edition), Prentice Hall (along with the companion Study Guide).

Notes

Term Work

Term work is made up of assigned homework, as well as specific assignments given by each professor. Your professor will advise you as to the due dates for these assignments.

Use of Moodle in this Course

We will be using the Moodle site in this course. It is used for posting course notes, assignment solutions, and emailing the professor. Students are expected to access the website for course notes. They should be printed and read prior to coming to class. There is no time in class for copying down class material.

Assignments

This course covers a considerable amount of material during the semester. Students are expected to do the assigned readings in advance of class and be prepared to discuss areas of difficulty and work on problems in class.

Students are expected to read the required readings BEFORE each lecture.

Term work that is not submitted by the posted due date will be assigned a mark of zero, unless a medical certificate is filed with the professor.

Exams

The final exam covers chapters 12-15 and 2.

Students must pass the final exam to pass BUAD 369.

OC Policies for exams are published in the online OC calendar. Students are expected to write exams at the scheduled times and dates. Medical certificate or other supporting documentation is required for approval of out-of-time exams.

Course Schedule

(Subject to change at the discretion of the professor)

Date		Topic	Textbook
2024 Week of:		Wednesday, September 4th, First day of class Friday, September 13th, Last day to register for Fall 2024 Monday, September 30th, Statutory Holiday (no classes) Monday, October 14th, Statutory Holiday (no classes) Friday, October 25th, Last day to withdraw from class without academic penalty Monday, November 11th, Statutory Holiday (no classes) Friday, December 6th, Last day of class Tuesday, December 10th – Friday, December 20th, Final Exam Period	Chapter(s):
Sep	2-6	GST/HST	Chapter 21
	9-13	GST/HST Loans to Employees, Stock Options	Chapter 21 Chapter 3
	16-20	Calculation of Taxable Income, Specific Topics for Individuals	Chapter 6
	23-27	Mid-term #1 (Chapters 21, 3 & 6) Capital Gains, and Losses – Application of Rules	Chapter 8
Sep/Oct	30-4	Capital Gains, and Losses – Application of Rules Non Arms-Length Transactions	Chapter 8 Chapter 9
	7-11	Taxable Income and Tax Payable for Individuals Revisited	Chapter 11
	14-18	Taxable Income and Taxes Payable for Corporations	Chapter 12
	21-25	Taxable Income and Taxes Payable for Corporations Midterm Review	Chapter 12
Oct/Nov	28-1	Midterm #2 (Chapters 8, 9, 11 & 12) Taxation of Corporate Investment Income	Chapter 13
	4-8	Taxation of Corporate Investment Income	Chapter 13
	11-15	Corporate Taxation and Management Decisions	Chapter 15
	18-22	Corporate Taxation and Management Decisions Other Issues in Corporate Taxation	Chapter 15 Chapter 14
	25-29	Other Issues in Corporate Taxation Procedures and Administration	Chapter 14 Chapter 2
Dec	2-6	Procedures and Administration Final Review	Chapter 2
		Final Exam Period is Dec 10-20 (Final exam covers chapters 12-15 & 2)	

Skills Across the Business Curriculum

The Okanagan School of Business promotes core skills across the curriculum. These skills include reading, written and oral communications, computers, small business, and academic standards of ethics, honesty and integrity.

Student Conduct and Academic Honesty

What is the Disruption of Instructional Activities?

At Okanagan College (OC), disruption of instructional activities includes student “conduct which interferes with examinations, lectures, seminars, tutorials, group meetings, other related activities, and with students using the study facilities of OC”, as well as conduct that leads to property damage, assault, discrimination, harassment and fraud. Penalties for disruption of instructional activities include a range of sanctions from a warning and/or a failing grade on an assignment, examination or course to suspension from OC.

What is Cheating?

“Cheating includes but is not limited to dishonest or attempted dishonest conduct during tests or examinations in which the use is made of books, notes, diagrams or other aids excluding those authorized by the examiner. It includes communicating with others for the purpose of obtaining information, copying from the work of others and purposely exposing or conveying information to other students who are taking the test or examination.”

Students must submit independently written work. Students may not write joint or collaborative assignments with other students unless the instructor approves it in advance as a group/team project. Students who share their work with other students are equally involved in cheating.

What is Plagiarism?

Plagiarism is defined as “the presentation of another person’s work or ideas without proper or complete acknowledgement.” It is the serious academic offence of reproducing someone else’s work, including words, ideas and media, without permission for course credit towards a certificate, diploma, degree and/or professional designation. The defining characteristic is that the work is not yours.

“Intentional plagiarism is the deliberate presentation of another’s work or ideas as one’s own.” Intentional plagiarism can be a copy of material from a journal article, a book chapter, data from the Internet, another student, work submitted for credit in another course or from other sources.

“Unintentional plagiarism is the inadvertent presentation of another’s work or ideas without proper acknowledgement because of poor or inadequate practices. Unintentional plagiarism is a failure of scholarship; intentional plagiarism is an act of deceit.”

What are the Students’ Responsibilities to Avoid Plagiarism?

Students have a responsibility to read the OC Plagiarism Policy and Procedures outlined in the OC calendar, which is available in online format www.okanagan.bc.ca. Students must acknowledge the sources of information used on all their assignments. This usually involves putting the authors’ name and the year of publication in parentheses after the sentence in which you used the material, then at the end of your paper, writing out the complete references in a Reference section.

“Students are responsible for learning and applying the proper scholarly practices for acknowledging the work and ideas of others. Students who are unsure of what constitutes plagiarism should refer to the UBC publication “*Plagiarism Avoided; Taking Responsibility for your Work*”. This guide is available in OC bookstores and libraries.

Students are expected to understand research and writing techniques and documentation styles. The Okanagan School of Business requires the use of the APA or MLA style, but suggests that students cite references using the APA guidelines (see Publication Manual of the American Psychological Association, 6th edition (2009)). A copy of the APA manual is available in the reference section and also available for circulation from OC libraries. The library website has access to these two major citing styles.

What are the Penalties for Plagiarism and Cheating?

The Okanagan School of Business does not tolerate plagiarism or cheating. All professors actively check for plagiarism and cheating and the Okanagan School of Business subscribes to an electronic plagiarism detection service. All incidents of plagiarism or cheating are reported and result in a formal letter of reprimand outlining the nature of the infraction, the evidence and the penalty. The Dean of the Okanagan School of Business and the Registrar record and monitor all instances of plagiarism and cheating. Penalties for plagiarism and cheating reflect the seriousness and circumstances of the offence and the range of penalties includes suspension from OC.