

COURSE OUTLINE

BCA206

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Course Code: Title	BCA206: TAX 1 PERSONAL
Program Number: Name	2050: BUSINESS -ACCOUNTING
Department:	BUSINESS/ACCOUNTING PROGRAMS
Semester/Term:	18W
Course Description:	In this course, students will acquire a basic working knowledge of the Canadian Income Tax System. The students will become familiar with theoretical concepts and technical rules in the Income Tax Act, specifically those applicable to individual taxpayers, and learn to apply them to the determination of net and taxable income and to the calculation of income taxes payable. Students will use the knowledge acquired to prepare a personal income tax return using tax software.
Total Credits:	4
Hours/Week:	4
Total Hours:	60
Substitutes:	ACC231, OEL237
Vocational Learning Outcomes (VLO's): Please refer to program web page for a complete listing of program outcomes where applicable.	2050 - BUSINESS -ACCOUNTING #4. Prepare individuals income tax returns and basic tax planning in compliance with relevant legislation and regulations. #6. Analyze, within a Canadian context, the impact of economic variables, legislation, ethics, technological advances and the environment on an organization's operations. #8. Contribute to recurring decision-making by applying fundamental financial management concepts.
Essential Employability Skills (EES):	#1. Communicate clearly, concisely and correctly in the written, spoken, and visual form that fulfills the purpose and meets the needs of the audience. #2. Respond to written, spoken, or visual messages in a manner that ensures effective communication. #3. Execute mathematical operations accurately.
Course Evaluation:	Passing Grade: 50%,
Other Course Evaluation & Assessment Requirements:	A+ = 90-100% A = 80-89%

B = 70-79%
C = 60-69%
D = 50-59%
F < 50%

Evaluation Process and Grading System:

Evaluation Type	Evaluation Weight
Final Comprehensive Exam	40%
Mid-Term Exam	30%
Tests, Assignments and/or Quizzes	30%

Books and Required Resources:

Canadian Tax Principles Volume 1 and 2 and Study Guide by Byrd & Chen
Publisher: Pearson Edition: 2017-2018

Course Outcomes and Learning Objectives:

Course Outcome 1.

Use the Income Tax Act to analyze tax situations.

(Chapters 1-2)

Learning Objectives 1.

- 1.1 Explain the structure of the ITA and define terminology used in interpreting it.
- 1.2 Use available resources (The Act, Interpretation Bulletins, Folio Views, CRA website) to analyze tax situations.
- 1.3 Organize tax information in accordance with the statutory scheme.
- 1.4 Identify situations where ethical problems may occur and analyze ethical problems related to tax preparation and advising.

Course Outcome 2.

Evaluate the residency status of individuals in a variety of situations and state conclusions after examining the relevance of the facts presented.

(Chapters 3,6,7 and 20)

Learning Objectives 2.

- 2.1 Analyze facts and reach conclusions regarding the residency status of individuals.
- 2.2 Differentiate between residents, non-residents and deemed residents.
- 2.3 Identify the types of income taxed in Canada for residents and non-residents.
- 2.4 Identify sources of income and use the aggregating formula to calculate net income for tax purposes.

Course Outcome 3.

Calculate net income from employment including taxable benefits and allowable deductions.

(Chapter 3)

Learning Objectives 3.

- 3.1 Examine facts and reach conclusions regarding the employment status of workers using Revenue Canada criteria.
- 3.2 List the fundamental rules for determining employment income and use the basic formula.
- 3.3 Calculate employment income arising from a variety of benefits including:
 - 3.3.1 Automobile benefits.
 - 3.3.2 Loans from employer.
 - 3.3.3 Moving and relocation expense.
 - 3.3.4 Stock options.
- 3.4 Determine the tax implications of allowances and make appropriate calculations.
- 3.5 Calculate allowable deductions from employment income including:
 - 3.5.1 Contribution to an employer's registered pension plan.
 - 3.5.2 Salesperson's expense.
 - 3.5.3 Travelling expenses.

Course Outcome 4.

Calculate net income from business for owner/operated business.

(Chapter 6)

Learning Objectives 4.

- 4.1 Distinguish between business and personal expenses.
- 4.2 List the guiding principles for determining deductibility of expenses from business income.
- 4.3 Calculate business income for a proprietorship or partnership.
- 4.4 Calculate office in home expense.

Course Outcome 5.

Calculate capital cost allowance (CCA) and cumulative eligible capital.

(Chapter 5)

Learning Objectives 5.

- 5.1 Learn the fundamentals of the tax factors pertaining to the acquisition, use, disposition and replacement of long-term assets.
- 5.2 Examine the rationale for dealing with depreciable property.
- 5.3 Outline the general rules and exceptions of the CCA system and of the treatment of eligible capital property.
- 5.4 Discuss the types of business decisions that may be affected.

Course Outcome 6.

Calculate income or loss from property in accordance with the ITA.

(Chapter 7)

Learning Objectives 6.

- 6.1 Define the various sources of property income and methods of reporting each source.

- 6.2 Explain and apply the rules for the annual reporting of interest.
- 6.3 Determine and compute the amount of income (and loss) from various types of property.

Course Outcome 7.

Calculate the taxable capital gains and allowable capital losses in a variety of situations and distinguish between business income and capital gains.

(Chapters 6 & 8)

Learning Objectives 7.

- 7.1 Distinguish between business income or loss and a capital transaction.
- 7.2 Differentiate between personal use property, listed personal property and all other properties and use applicable rules to determine capital gain or loss.
- 7.3 Apply the general rules to determine capital gains and losses.
- 7.4 Calculate the capital gains reserve.
- 7.5 Demonstrate an understanding of the rules regarding the deductibility of capital losses through computation.
- 7.6 Apply the provisions of the Act related to capital gain computations in specific situations such as:
 - 7.6.1 Identical properties.
 - 7.6.2 Convertible securities.
 - 7.6.3 Options and warrants.
 - 7.6.4 Commodities and futures transactions.
 - 7.6.5 Principal residence.
 - 7.6.6 Voluntary and involuntary dispositions.

Course Outcome 8.

Identify other sources of income and other deductions used to calculate net income for tax purposes.

(Chapters 9 - 10)

Learning Objectives 8.

- 8.1 Determine and compute income (and loss) from additional sources inside or outside Canada, including:
 - 8.1.1 Pension benefits.
 - 8.1.2 Retiring allowances.
 - 8.1.3 Spousal support.
 - 8.1.4 Death benefits, Deferred Income Plans, Scholarships, Bursaries and Research grants.
- 8.2 Determine and compute the amounts that may be deducted for:
 - 8.2.1 Moving expenses.
 - 8.2.2 Childcare expenses.
 - 8.2.3 Contributions to RRSPs.
 - 8.2.4 Spousal support.
- 8.3 Calculate net income for tax purposes in accordance with the statutory scheme outlined in the ITA.

Course Outcome 9.

Calculate net income for tax purposes in accordance with the statutory scheme outlined in the ITA.

(Chapters 1, 3, 4 and 11)

Learning Objectives 9.

9.1 Demonstrate an understanding of the loss utilization rules through calculation.

9.2 Differentiate amongst capital losses, noncapital losses and allowable business investment losses.

9.3 Calculate the capital gains deduction as regards qualified small business corporate shares.

9.4 Identify and appropriately apply special reductions in arriving at taxable income including:

9.4.1 Stock option deduction.

9.4.2 Home relocation loan deduction.

Course Outcome 10.

Compute federal income tax payable by, and tax credits allowable to, individual taxpayers.

(Chapters 4 and 11)

Learning Objectives 10.

10.1 Calculate federal taxes payable.

10.2 Determine non-refundable tax credits available to an individual and make appropriate calculations.

10.3 Explain the need for and calculate the alternative minimum tax (AMT) and special tax on Old Age Security benefits.

10.4 Compute net income for tax purposes, taxable income and net federal taxes payable in a variety of situations.

Date:

Tuesday, March 13, 2018

Please refer to the course outline addendum on the Learning Management System for further information.