

**THE UNIVERSITY OF HONG KONG
FACULTY OF BUSINESS AND ECONOMICS**

**School of Business
BUSI 0018 – Hong Kong Taxation
2011/2012 Semester One**

Dear students,

Welcome to the course Hong Kong Taxation!

In this document you can find useful information about the course, including the course description and objectives, learning outcomes, assessment methods and criteria. You can also find the teaching schedule for the course in 2011/12 (Semester One). Please read through this document carefully and observe the details. You should also pay attention to regular updates and announcements to be made by the instructors throughout your study of this course.

Lecture outlines (or notes) together with the tutorial questions as well as other information relating to the classes will be posted in the course's WebCT account opened in my name. Please make sure you log into and check the system regularly for any updated information and announcements, and to download the teaching and learning materials for your study. ***You are also required to study the relevant notes and attempt the tutorial questions before going to classes.***

Should you have any queries, please feel free to discuss with your tutor or myself. I wish you every success and happiness in the study.

Christina Ng
Course Instructor
Hong Kong Taxation
August 2011

CNG/BUSI0018_1112_Sem1

**THE UNIVERSITY OF HONG KONG
FACULTY OF BUSINESS AND ECONOMICS**

**School of Business
BUSI 0018 – Hong Kong Taxation
2011/2012 Semester One
Course Syllabus**

I. Information on Instructor and Tutor

Instructor: Dr. Christina Ng
Email: cng@business.hku.hk
Office: Room 406C, Meng Wah Complex
Phone: 2219 4213
Consultation times: To be advised

Tutor: Ms. Cassandra Ho
Email: hokc@business.hku.hk
Office: Room 601B, Meng Wah Complex
Phone: 2241 5244
Consultation times: To be advised

Pre-requisite: BUSI 1002 Introduction to Accounting

Textbook and References:

Macpherson, A and G. Laird, *Hong Kong Taxation: Law and Practice*, Latest Edition, The Chinese University Press.

Lee, D., *Advanced Taxation in Hong Kong*, Latest Edition, Longman.

CCH, *Hong Kong Master Tax Guide*, Latest Edition, CCH Asia Pte Limited.

Inland Revenue Ordinance (Chapter 112) and *Inland Revenue Rules*, Hong Kong SAR Government.

Ho, P., *Hong Kong Taxation and Tax Planning*, Latest edition, Pilot Publishing Co. Ltd.

Useful Websites:

The database of the Laws of Hong Kong: <http://www.legislation.gov.hk>

Inland Revenue Department: <http://www.info.gov.hk/ird/>

II. Course Description and Objectives

This course provides students with a fundamental understanding of the current law, principles and practices of Hong Kong Taxation. The concepts introduced in the course are heavily used in practice. The course is helpful not only for personal tax compliance and planning but also for paving the way for students to enter their future profession and the business world.

Course objectives

- Provide students with the fundamental knowledge in Hong Kong Taxation which is essential for pursuing further study of advanced taxation courses
- Provide students with the taxation knowledge for their future career in professional accounting firms or companies in the business field
- Train up students' analytical ability and presentation skills and be able to identify the issues and apply their tax knowledge in real-life practical situations

III. Learning Outcomes

After completing this course, students should be able to:

- Describe the fundamental principles and concepts of Hong Kong Taxation
- Apply tax principles to determine the tax liabilities for individuals, partnerships and corporations in Hong Kong
- Effectively interpret tax statutes, apply tax rules and analyse practical tax problems
- Work in group discussions and presentations to formulate and give tax advice
- Evaluate legal arguments in tax cases and present one's own arguments with cases support in a reasoned manner by way of written reports and oral presentations
- Recognise the social responsibility of a tax professional
- Recognise the impact of the current Revenue Law changes and amendments in Hong Kong in the light of the changing international environment and the fast-growing cross-border activities

IV. Alignment of Program and Course Outcomes

Program Learning Outcome	Course Learning Outcome (CLO)
Should be able to describe the fundamental principles and theories of accounting, business and economics	1. Describe the fundamental principles and concepts of Hong Kong Taxation
Should be able to use knowledge learned to solve accounting and finance problems	2. Apply tax principles to determine the tax liabilities for individuals, partnerships and corporations in Hong Kong 3. Effectively interpret tax statutes, apply tax rules and analyse practical tax problems
Should be able to evaluate ethical and social issues, function in teams effectively and display leadership traits	4. Recognise the social responsibility of a tax professional 5. Work in group discussions and presentations to formulate and give tax advice
Should be able to discuss international issues and to function in multicultural settings	6. Recognise the impact of the current Revenue Law changes and amendments in Hong Kong in the light of the changing international environment and the fast-growing cross-border activities
Should be able to use specific technical terminology and make convincing and coherent presentations, both verbal and written formats	7. Evaluate legal arguments in tax cases and present one's own arguments with cases support in a reasoned manner by way of written reports and oral presentations

V. Teaching and Learning Activities

While the lecture hours are structured to secure students' understanding of relevant taxation law and principles, the tutorial sessions aim to further reinforce students' understanding and application of law and principles to practical situations. Students are expected:

- (1) to attend all lectures and tutorials
- (2) to read the lecture handouts and the assigned reading materials (or book chapters) before attending the lectures
- (3) to complete their assignments before the tutorials
- (4) to participate actively in class discussions

A high level of two ways communication is encouraged between instructors and the students during the lectures and tutorials.

VI. Assessment

Learning outcome	Teaching and learning activity	Assessment
Describe the fundamental principles and concepts of Hong Kong Taxation	Lectures to provide the relevant knowledge and technique to apply tax principles and analyse tax problems	Course Work Term test 25% (CLO1, 2, 3, 6)
Apply tax principles to determine the tax liabilities for individuals, partnerships and corporations in Hong Kong		
Effectively interpret tax statutes, apply tax rules and analyse practical tax problems	Group discussions in lectures to analyse practical tax problems and give tax advice	Report and presentation of tutorial questions 15% (CLO2, 3, 5, 7)
Work in group discussions and presentations to formulate and give tax advice	Discussion of tutorial questions to reinforce the learning process	Attendance, participation in class discussions and peer review 10% (CLO1, 2, 3, 4, 6)
Evaluate legal arguments in tax cases and present one's own arguments with cases support in a reasoned manner by way of written reports and oral presentations	Group presentations on selected tutorial questions to train up students to work in teams and to make written and verbal presentations	50% Final Examination 50% (CLO1, 2, 3, 6)
Recognise the social responsibility of a tax professional		<u>100%</u>
Recognise the impact of the current Revenue Law changes and amendments in Hong Kong in the light of the changing international environment and the fast-growing cross-border activities		

The following information is related to the assessment tasks of this course:

Tentative Date for the Test:

Thursday, 3 November 2011 (approx. one hour at the beginning of the lecture hours)

The test will account for 25% of the assessment. Please make sure you attend the test and there will not be any make-up test. Further details about the test to be announced in mid October 2011.

Topics: Unit One to Unit Six

Report and Presentation of Discussion Questions in Tutorial Classes:

There are several questions for discussion in each tutorial class. Students are required to do all the questions before they come to the relevant classes (not just the presentation questions). Some of the questions are required to be presented by student presentation groups formed among yourselves, which will form part of the continuous assessment (please refer to the teaching schedule for details). Please form presentation groups during the first tutorial class and agree among yourselves the question that each group is going to make presentation. Your tutor will assist you to sort out the arrangements. Each presentation group should comprise of no more than three members, depending on the class size.

We do not expect you to give very long essays or reports on the presentation questions. Instead, what we look for is your ability in applying the tax knowledge and in making presentations before audiences in a professional manner. We want your presentations to be clear and the answers to be concise and precise. In general, each presentation should not last for more than 15 minutes.

In order to facilitate discussion, each presentation group is expected to arrange for a copy of the presentation report to be distributed to every classmate in the class before making the presentation. You are also required to hand in a copy of the presentation report to your tutor before making your presentation for his/her reference and records.

A total of 15% are allocated to the report and the presentation. Marks will be awarded by the tutor based on:

- (1) the coverage, content and accuracy of the presentation report (4%)
- (2) the presentation tools used by the presentation group (4%)
- (3) the presentation style and skills of individual presenters (4%)

The remaining 3% will be awarded by peer review (each presentation group, apart from making presentation, is also required to perform peer review on another group's presentation). Your tutor will sort out with you during the first tutorial class on the details (say, Group 1's presentation to be commented by Group 2, Group 2's presentation to be commented by Group 3, etc.).

After each presentation, the whole class including the peer review group (say, Group 2) will be given 3 to 5 minutes to discuss on the performance of the presentation group (Group 1). The leader of Group 2 will then give verbal comments in front of the class on the performance of Group 1, which should be limited to 3 minutes. Group 2 is also required to fill in a peer review form which is to be handed in to the tutor at the end of the class as records of the marks given by Group 2 to Group 1, which will account for the 3% out of the 15% as mentioned above. Please note that the tutor reserves the right to adjust these 3% given by Group 2 if the tutor considers that the comments from Group 2 are not constructive or not fair enough. The tutor will invite further comments from other groups or supplement on the feedback if necessary.

Attendance, Participation in Class Discussions and Peer Review:

A maximum of 10% will be awarded based on class attendance and the extent of participation and contribution to the classes:

- (1) attendance in classes (4%)
- (2) the participation of individual students in class discussions throughout the semester (3%). (Apart from the presentation questions, there are also other questions for discussion in the tutorial sessions. You are expected to prepare for the questions before coming to the tutorials and participate in the discussion with your tutor and classmates. For some lectures there are some questions for discussion. You are also expected to participate in the discussions and put forward your ideas.)
- (3) whether the peer review group is giving a constructive comment on the presentation group's performance, including the accuracy, coverage, tools and style of the presentation, etc. (3%)

About the Final Examination:

Further details will be given in due course. To give you some rough ideas:

- Closed book
- Questions will include computations as well as essays writing

A table showing the general criteria and standards for "Assessment Grading" can be found in this document (pp.7-8), which provides a summary on how the coursework and the final examination of the course will be graded. You may also wish to refer to page 9 for some specific examples of the general criteria for assessing the presentation and participation.

If you have any queries to the course assessment and other matters about the course, please feel free to discuss with the instructor or the tutor as appropriate.

VII. Standards for assessment

Assessment grades will be awarded based on the performance of students. The table below provides a summary of the general expected performance from students. The assessment tasks are specifically designed to assess students' performance with respect to the course learning outcomes.

<i>Assessment Tasks</i>	<i>Grade</i>	<i>Criteria and Standards</i>
Coursework (Including test, presentation, attendance and participation)	A	<ul style="list-style-type: none"> • Achieve a standard of excellent performance in the test with very accurate computation and very good analytical and problem-solving skills • Present arguments that have an element of originality • Demonstrate a strong understanding of all relevant knowledge • Handling questions professionally • Very good written report • Very good powerpoint slides
	B	<ul style="list-style-type: none"> • Achieve a standard of good performance in the test with accurate computation and good analytical and problem-solving skills • Present arguments that go beyond the lecture and textbook • Demonstrate a good understanding of all relevant knowledge • Handling questions in a logical way • Good written report • Good powerpoint slides
	C	<ul style="list-style-type: none"> • Meet a standard of acceptable performance in the test with reasonable accuracy in computation and acceptable analytical and problem-solving skills • Organize the presentation in a well-structured manner • Display a basic understanding of the concepts involved • Fairly address the questions as set • Acceptable written report • Acceptable powerpoint slides
	D	<ul style="list-style-type: none"> • Demonstrate a standard of marginally acceptable performance in the test with some errors in computation and barely adequate analytical and problem-solving skills • Organize the presentation in a marginally acceptable manner • Display a minimum understanding of the concepts involved • Barely address the questions as set • Marginally acceptable written report • Marginally acceptable powerpoint slides
	F	<ul style="list-style-type: none"> • Fail to meet a minimum standard of passing the test with major errors in computation and inadequate analytical and problem-solving skills • Poorly organize the presentation • Display a poor understanding of the concepts involved • Unable and unwilling to handle questions • Poor written report • Poor powerpoint slides

<i>Assessment Tasks</i>	<i>Grade</i>	<i>Criteria and Standards</i>
Final Examination	A	<ul style="list-style-type: none"> Achieve a standard of excellent performance in the examination with very accurate computation and very good analytical and problem-solving skills, extended ideas such as element of own voice and opinion, originality, recommending and reflecting
	B	<ul style="list-style-type: none"> Achieve a standard of good performance in the examination with accurate computation and good analytical and problem-solving skills, good relational understanding such as a wide range and diversity of materials beyond those provided in the course
	C	<ul style="list-style-type: none"> Meet a standard of acceptable performance in the examination with reasonable accuracy in computation and acceptable analytical and problem-solving skills, with application of materials and without major errors of understanding
	D	<ul style="list-style-type: none"> Demonstrate a standard of marginally acceptable performance in the examination with some errors in computation, barely adequate analytical and problem-solving skills and with some errors of understanding
	F	<ul style="list-style-type: none"> Fail to meet a minimum standard of passing the examination with major errors in computation, inadequate analytical and problem-solving skills and with major errors of understanding or omission of explanation

The overall subject grade, after considering the performance of the assessment tasks and their respective weightings, will be awarded in accordance with the rules and regulations under the respective Programs.

Examples on the General Criteria for Assessing Presentation and Participation

General criteria for assessing presentation include:

- Able to identify the issue/problem area
- Able to illustrate a logical flow of analysis of the problem
- Able to suggest solution and explain with relevant law or principles
- Able to demonstrate professional presentation skill in areas such as use of visual aid materials, delivery of speech content, co-operation between team members, interaction with the class, clarity in voice and time control
- Able to produce an adequate written report at professional standard
- Able to draw participation from other classmates by raising related issues that stimulate thinking and discussions

General criteria for assessing participation include:

- Apart from those presenting the selected questions, all students are required to ACTIVELY participate and contribute to the classes.
- Students can gain marks in the participation component:
 - if able to provide a relevant peer review on classmates' presentation with constructive comments
 - if initiative is taken to answer any questions raised, either by the instructor/tutor, presenting classmates or other classmates
 - if initiative is taken to raise any questions or issues for discussion
 - if initiative is taken to lead a discussion
 - if initiative is taken to help fellow classmates in solving problems

VIII. Academic Conduct

Academic Dishonesty

The University Regulations on academic dishonesty will be strictly enforced. Please observe a student's academic responsibility, such as no cheating and plagiarism.

Class Conduct

It is important to respect your instructors and your classmates. Please be considerate to the others.

Students are required to attend all classes (Lecture and Tutorial Sessions) **on time** and **should not enter the classroom 15 minutes after the scheduled starting time**. If you have to leave the class early, please inform the instructor before the class begins. Please sit near the door and exit quietly. If you fail to inform the instructor before you leave early, no credit will be given for your class attendance.

Please also be reminded that you should attend your registered class and you cannot swap the class by yourselves.

IX. Course Schedule

Teaching Schedule – 2011/12 (Semester One) (Tentative)

Semester Week	Week/Period Ended	Lecture Topics	Tutorial Topics/ Discussion Questions	Presentation Qs (additional one marked with *)
1	3 Sept.	Unit One Overview	-	-
1/2	10 Sept.	Unit One Overview Tax Administration Unit Two Property Tax	Unit One Q1	Forming groups
2/3**	17 Sept. (13 Sept. PH)	Unit Two Property Tax Unit Three Salaries Tax (1)	Unit One Q2 – 3	Finalising groups
3/4	24 Sept.	Unit Three Salaries Tax (1) Unit Four Salaries Tax (2)	Unit Two Q4 – 6	Q5*
4/5	1 Oct.	Unit Four Salaries Tax (2) Unit Five Salaries Tax (3)	Unit Three Q7 – 9	Q9
5/6	8 Oct.	Unit Five Salaries Tax (3) Unit Six Salaries Tax (4)	Unit Four Q10 – 11	Q11
6/7	15 Oct.	Unit Six Salaries Tax (4) Personal Assessment	Unit Five Q12 – 14	Q13*, Q14
22 Oct. Reading/Field Trip Week				
8/9	29 Oct.	Unit Seven Profits Tax (1)	Unit Six Q15 – 16	Q15
9/10# Test: 3 Nov	5 Nov.	Unit Eight Profits Tax (2) Test	Unit Seven Q17 – 18	
10/11	12 Nov.	Unit Eight Profits Tax (2) Unit Nine Profits Tax (3)	<u>Week 10 to 12: Unit 8 to Unit 10</u>	
11/12	19 Nov.	Unit Nine Profits Tax (3) Unit Ten Depreciation Allowances (1)	Unit Eight Q19 – 20	Q19
			Unit Nine Q21 – 22	Q21
12/13	26 Nov.	Unit Eleven Depreciation Allowances (2) Unit Twelve Partnership	Unit Ten Q23 – 25	Q24*, Q25
13/14	30 Nov.	Unit Twelve Basis Period, Ethical Issues, etc. Unit Thirteen Introduction to China Tax	Unit Eleven Q26 – 28 Unit Twelve Q29, Revision	Q26*, Q28*

Test on Wednesday, 3 November 2011.

(In case class on 3 November is cancelled due to bad weather condition, etc., the test will be held on 10 November 2011)

* **If your class has more presentation groups, additional presentation questions will be required.**

** **No classes on public holidays.**