School of Administrative Studies
Faculty of Liberal and Professional Studies

AN OVERVIEW OF CANADIAN INCOME TAXATION
AP/ADMS 3520

Course Outline for All Sections
WINTER 2022

Prepared by Professor Thaddeus Hwong, Course Coordinator

For us, there is only the trying. The rest is not our business.

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1 Course Overview

Tax is the price we pay for civilization, Justice Oliver W. Holmes of the U.S. Supreme Court once said. At the end of the course you could ask yourself how true it is and flowing from that what you will do about it as an informed and responsible citizen.

The course offers an overview of the taxation of personal and corporate incomes of Canadian taxpayers for students and provides the necessary foundation as the prerequisite for them to achieve the learning outcomes in AP/ADMS 4561 and 4562. To advance to take 4561 and/or 4562, honours students and non-degree students are normally required to have passed 3520, while all other students are normally required to have received a 3520 letter course grade of at least C+. Students won't receive any credits for 3520 for the purpose of GPA calculation if they take 3520 after taking 4561 or 4562. The course cannot be taken concurrently with 4561 or 4562. Students are advised to take 3520, 4561 and 4562 sequentially.

The Winter 2022 teaching team features decades of professional experiences. Mr. Joseph Frankovic, a leading tax commentator, teaches Section N at 11:30 am-2:30 pm EST Tuesday at SC 303. In addition, he teaches two remote sections over Zoom – Section Q [7-10 pm EST Tuesday] and Section X [1-3 pm EST Monday]. Ms. Priya Shah, an experienced tax practitioner, teaches the traditional internet section [Section A]. Ms. Danielle Cook, a seasoned tax practitioner, grades all exams. Ms. Angela Montano, an academic staffer with decades of academic administration experiences, is in charge of academic operational matters. The course is indebted to each of the members of the teaching team as without their unique contributions the course will not work.

All students will be provided access to the Common Lecture recordings via emails. Students in Sections N, Q and X must attend classes at the respective time slots. To protect the privacy of all, the Zoom sessions will not be recorded. Students in Section M will receive weekly course emails designed for the internet section students only.

Students are expected to be able to answer all their course administration questions or research project questions on their own as this course outline along with materials on eClass plus research project instructions are self-explanatory.

- All students are expected to check the 3520 course eClass site regularly. Additional alerts may be sent to the students' university email accounts so the students also are expected to check their university email accounts regularly. Keeping up with all the information related to the course is the students' responsibility.

- Before you ask us any question, please note that one of the many joys in getting a university education is that it provides you with ample opportunities to develop your skills in looking for answers. So please look for answers in the course outline and lecture notes on eClass, course emails, university web site and the textbook first.

- If you have to email us, please kindly read "Re: Your Recent Email to Your Professor" on the course eClass site first before you do so because SAS aspires to graduate students as informed and responsible lifelong learners.

- If you don't use your York University email account to send course-related emails, your emails will very likely be deleted due to heightened security concerns. Replies to email questions concerning the course may be circulated among all students in the course.

- **For security reasons, all course-related emails from students must be sent from their university email accounts and have "3520 (relevant section): (your question/concern/comment)" as the subject.** When you communicate with us please state clearly your name, your course and section as well as your student number. Any email without the above information will likely be ignored.

- Questions that students can find answers by working through the course materials will likely be filed as records of student performance in the course but will unlikely be answered as the information is accessible by students who take their responsibilities as students seriously.

- **For any questions related to course administration, please do NOT email your instructors or me. Instead, if you think you cannot find answers on your own after exhausting all venues please follow the course email protocol as stated above to send an email to taxlaw@yorku.ca. If you don't get any reply within 72 hours, you should assume that you are expected to have the capability to find your answer on your own.**

For security purposes, all students must use the York University email accounts for the course. Please note that students who could not access their university email accounts via Google are advised to download and install MS Outlook for free from the university.

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2 Learning Outcomes

The course focuses on personal income tax topics including the purposes of the income tax system; the structure of the Income Tax Act; employment income and fringe benefits; business income, capital cost allowance and cumulative eligible capital; property income; capital gains; other incomes; deductions and tax credits; non-arm's length transactions and attribution rules. The course also provides an introduction to taxation of corporations, partnerships and trusts.

A basic introduction to Canadian income tax law, the course provides students an overview of the technical rules in the Income Tax Act that defines the tax system – the tax base, the accounting period, the rate structure, the tax filing unit and the administrative apparatus – and tax expenditures, essentially indirect spending programs. Whenever it's appropriate the course also highlights the importance of examining the determinants of policy making and different perspectives on tax law and policy including class, gender and race. Moreover, students learn basic tax law and policy research so they can keep pace with changes in the law.

This course is designed to enable and empower students to achieve the following learning outcomes independently:

- **To learn how to learn tax (i.e. keep pace with the evolving body of tax law) independently without supervision**
- **To understand the policy objectives and legislative intent of the technical rules in the Income Tax Act as they apply to individuals and corporations**
- **To apply Canadian income tax laws and related concepts**

In pursuing the above learning outcomes, the course requires students to make good use of technology. The requirements offer students plenty of opportunities to get ready for the labour market.

3 Course Materials

The required textbook is Canadian Tax Principles (CTP), by Byrd & Chen, 2021-2022. As the book is updated every year, using a prior edition of the book may lead to a failing grade so if students decide to do that please note that they are forewarned here. All references to the textbook are made in regard to the hard copy of the textbook. For the access to MyLab please see the document provided by the publisher on the course eClass site.

For students who would like to have a supplementary textbook, they could take a look at the latest edition of Buckwold's Canadian Income Taxation. This is entirely at the students' discretion. The book is not the required textbook for the course.

The Canadian government has published Income Tax Folios: https://www.canada.ca/en/revenue-agency/services/tax/technical-information/income-tax/income-tax-folios-index.html.

For those who are interested in a tax law textbook please search for the latest edition of Principles of Canadian Income Tax Law in the York library system. For an edited volume on the history of income tax law, see

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https://www.library.yorku.ca/find/Record/3823911. For an edited volume on tax reform, see https://www.library.yorku.ca/find/Record/3234420. For an edited volume on tax expenditures, see https://www.library.yorku.ca/find/Record/2524391.

All sections use the same common 3520 eClass site for lecture notes and other course information. The lecture notes as they are now are the result of years of collaborative work since Professor Joanne Magee first founded the tax program at SAS. The 2021-2 version of the lecture notes is updated by Ms. Priya Shah. The 4561 and 4562 instructors recommend that you keep your 3520 text, notes and problem materials for review purposes when you advance to the upper-level courses.

4 Teaching Approach

The course is taught in a problem-solving approach with references to the underlying ideas of tax law and policy. Lecture notes listing "designated problems" on their front page are available on the course eClass site. The purpose of working through the designated problems is to familiarize students with important concepts and to offer students problem-solving practice. It is critical that you work through all designated problems on your own. Challenging yourself by asking yourself why a rule is what it is and making extensive use of all the course materials to look for answers can dramatically enhance your learning experience.

The lectures and the lecture notes only provide highlights of the course content. The lectures do not cover everything you need to know for the course. Please use CTP wisely according to the lectures and lecture notes as there are some topics in CTP that are not covered in lectures or lecture notes that you need to know. One best practice for you is to find the content referred to the designated problems in the lecture notes in CTP on your own each week.

Please focus on the ideas behind the law. If you understand the ideas, you will know how to do the arithmetic. Focusing solely on the mechanics of the arithmetic will NOT help you achieve the learning outcomes.

5 Evaluation

Category	% of Course Grade	Tentative Date
Midterm I [MT1] [lectures 1-2]	15%	7:30-9 PM EST Sunday February 6, 2022
Midterm II [MT2] [lectures 1-5]	25%	7:30-9 PM EST Sunday March 20, 2022
Final [lectures 1-10]	50%	In the final exam period to be determined by the university
100-word Research project	10%	Due by 11:59 pm EST on Sunday April 10, 2022
Total	100%	

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The tentative marks of MT1 for all sections will be posted on the course eClass site by the drop date. You won't need to ask when the marks of other course evaluation components will be available. A breakdown of all course evaluation components along with a brutally honest critique of the research project submission will be available directly from me upon request after the official course grades appear on students' official records. Grade negotiations will not be entertained.

5.1 Exams

All exams are scheduled to be timed take-home exams via the university email network. Once exams are sent to students, the students will be deemed to have attempted that exam. Exam submission that do not meet ALL filing requirements as specified in the exam instructions that come with the exams will NOT be graded as all students are studying to become professionals with a keen awareness of the importance of compliance. NO exception will be made. For example, submission sent after the deadline or submission sent with a url or submission sent with a non-MS Word file or submission sent to the wrong email address or submission with the wrong filename will NOT be graded.

The exams require students to integrate everything they have learnt in the entire course up to the point of the exam. They normally feature short questions that require students to demonstrate that they understand the ideas behind the law by preparing short answers and long questions that require students to apply such understanding in preparing calculations like those shown in the textbook. If students have gained a thorough understanding of why each step is what it is for the designated problems, they will be able to tackle the exam questions.

All students must show all details and steps of their work. All answers must be the work product of the students, i.e. in the students' own words. All completed take-home exams will be scrutinized very carefully for any hints or appearance of academic dishonesty. For example, copying from any source including the lecture notes and/or the textbook will be a serious offence, and exchanging answers with anyone will also be a serious offence. All allegations or reports of violations will be investigated. Academic dishonesty will be prosecuted to the fullest extent. The stiffest penalties will be sought for academic dishonesty.

More logistical info of each exam will be posted on eClass and/or sent to the students' university email accounts.

Missing exams is not a way to gain an advantage of any sort. Please note that traveling, attending someone's wedding, needing to drive someone somewhere or working are not reasons for accommodation. As you have the exam dates now you are expected to make the appropriate arrangement to write the exams. It's your responsibility as a student to take the course only when you can write the exams on preset dates with your classmates. For example, if you are working full time including the weekends and taking the course as an internet student, one option for you will be to use your vacation time to write the exams with your classmates. In the past, students who claimed to be ill to buy time not only failed the course but also delayed their graduation.

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IMPORTANT: students who cannot write an exam due to genuine illness MUST email taxlaw@yorku.ca at least five hours before the start of an exam so I can understand their circumstances. An advance notice submitted to another email address or in another way will not be accepted.

Students who cannot write MT1 due to illness with the advance notice filed as instructed, if approved by me, may be granted the shifting of the 15% as follows: 7% to be shifted to the research project and 8% to be shifted to the final exam. The students cannot miss MT2 and the Final. Such an approval may not be granted.

Students who have written MT1 but cannot write MT2 due to illness with the advance notice filed as instructed, if approved by me, may be granted the shifting of the 25% as follows: 10% to be shifted to the research project and 15% to be shifted to the final exam. The students cannot miss the Final. Such an approval may not be granted.

Students who miss both midterms due to illnesses with the advance notices filed as instructed, if approved by me, may be allowed to write both midterms and the Final next term as deferred exams in the next term. Students who miss both midterms cannot write the Final this term. Such an approval may not be granted.

Students who have written both midterms but miss the Final due to illness with the advance notice filed as instructed, if approved by me, may be allowed to write the final exam in the final exam period next term. Such an approval may not be granted.

Students who have written MT1 but miss MT2 and the Final even with advance notices filed as instructed will unlikely be granted any deferral or grade shifting.

5.2 Research Project

In line with the purposes of undergraduate education, the learning objectives of the research project are to encourage students to think about a tax policy issue critically, conduct some research and learn to write precisely and concisely. As there is no good writing but only good rewriting, students are only required to write 100 words for the research project. Only efforts in distilling what the students would like to say into a precise and concise form with many rounds of rewriting can enable students to complete the research project properly.

Please refer to the 100-word research project instructions to be posted on the course eClass site shortly after MT1 as no attachment should be sent. Any submission that does not meet specific filing requirements like submission sent after the deadline or submission sent with a file attachment or submission sent with a url or submission sent to the wrong email address will NOT be graded.

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5.3 What Your Course Grade Means

At university you learn to become not only a productive employee but also an informed and responsible lifelong learner. If you learn to think about taxation in a way to appreciate its important role in society, you will have achieved something.

Your course grade is a reflection of your performance in the course compared to your peers, but you are the only one who really knows whether you are making any progress in developing your sense of critical thinking, information literacy and effective communication as well as responsibility as an informed and responsible lifelong learner. One way to start thinking about this is to read "Secrets of the Most Successful College Students" on your course eClass site.

A grade is just a grade. In a few years no one will care what grade you get as a student in 3520. But people do care what kind of character you have as a human being – whether you care not only about your own self-interests but also about others' well-being.

If students do the work required for the course, students will likely earn the grades they want. Students are expected to take full responsibilities for studying and keeping up with the fast pace of the course. No special consideration will be given to students who do not get the grades they want due to reasons that are not required to be considered by university rules. Students should not negotiate for marks they did not earn, and all academic queries on marks if warranted should be made on an academic basis. For example, claiming that you have worked very hard or you have never received such a low grade will not be suffice. By the same token, claiming that you need such a grade to advance to the next level, keep your scholarship, to graduate as planned or get a job will not be acceptable.

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6 Class schedule: internet section students can use it to pace their studies accordingly

Lecture	Section/Date	Topic
1	N: Jan. 18 Q: Jan. 18 X: Jan. 17	Course overview; introduction to taxation including sources of tax law and policy especially the structure of the Income Tax Act, characteristics of income tax system, types of taxes and taxable entities (individuals, corporations, trusts); tax expenditures; procedures and compliance including dispute resolution mechanism
2	N: Jan. 25 Q: Jan. 25 X: Jan. 24	Residency; income from employment including loans to employees, employee stock options and commission income
3	N: Feb. 1 Q: Feb. 1 X: Jan. 31	Depreciable capital property and eligible capital property
90-minute MT1 at 7:30-9 PM EST on Sunday Feb. 6, 2022		
4	N: Feb. 8 Q: Feb. 8 X: Feb. 7	Income from property and capital gains and losses; integration and eligible as well as non-eligible dividends
5	N: Feb. 15 Q: Feb. 15 X: Feb. 14	Other income and deductions; income splitting; tax-preferred savings accounts including a comparison of RRSP and TFSA
No class on Feb. 22 & 21, 2022 during Reading Week		
6	N: March 1 Q: March 1 X: Feb. 28	Non-arm's length transactions including transfer of property to spouse and children and income attribution rules as well as kiddie tax; departures from Canada and death of a taxpayer
7	N: March 8 Q: March 8 X: March 7	Taxable income and tax payable for individuals
8	N: March 15 Q: March 15 X: March 14	Income or loss from a business; introduction to GST
Drop Date on Friday March 18, 2022		
90-minute MT2 at 7:30-9 PM EST on Sunday March 20, 2022		
No class on March 22 & 21		
9	N: March 29 Q: March 29 X: March 28	Basic rules for computing taxable income and tax for corporations; incorporation of a small business
10	N: April 5 Q: April 5 X: April 4	Investment income and private corporations; personal services business; basic rules for partners and partnerships
100-word Research project to be submitted by 11:59 pm EST on Sunday April 10, 2022		
Drop with a W notation on transcript by Sunday April 10, 2022		
180-minute Final in the final exam period of the term scheduled by the university		

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ADAPTED STANDARDIZED INFORMATION

From York University

Please note that this is a course that depends on remote teaching and learning. There will be no in-person interactions or activities on campus. eClass, Zoom and the university's email network will be used in this course.

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Students shall note that Zoom is hosted on servers in the U.S. This includes recordings done through Zoom. If you have privacy concerns about your data, provide only your first name or a nickname when you join a session. The system is configured in a way that all participants are automatically notified when a session is being recorded. In other words, a session cannot be recorded without you knowing about it. Please review the technology requirements and FAQs for eClass [https://lthelp.yorku.ca/95440-student-faq].

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In this course, we strive to maintain academic integrity to the highest extent possible. Please familiarize yourself with the meaning of academic integrity by completing SPARK's Academic Integrity module at the beginning of the course [https://spark.library.yorku.ca/academic-integrity-what-is-academic-integrity/]. Breaches of academic integrity range from cheating to plagiarism (i.e., the improper crediting of another's work, the representation of another's ideas as your own, etc.). All instances of academic dishonesty in this course will be reported to the appropriate university authorities, and can be punishable according to the Senate Policy on Academic Honesty [https://secretariat-policies.info.yorku.ca/policies/academic-honesty-senate-policy-on/].

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All materials prepared for this course at York University are the intellectual property of members of the 3520 teaching team unless otherwise stated. This can include but is not limited to the following materials: spoken and written presentations; assignment handouts and instructions. Course materials should only be used by students enrolled in this course. As a student in this course, you may not publish, post on an Internet site, sell, or otherwise distribute any of this work without the instructor's express permission. Unauthorized or commercial use of these materials is strictly prohibited. Copying this material for distribution (e.g. uploading material to a commercial third-party website, or online sharing of course material with people outside of the course) may lead to a charge of misconduct under York's Code of Student Rights and Responsibilities [https://oscr.students.yorku.ca/student-conduct] and the Senate Policy on Academic Honesty. In addition, you may face legal consequences for any violation of copyright law.

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While all students are expected to satisfy the requirements of their program of study and to aspire to achieve excellence, the university recognizes that persons with disabilities may require reasonable accommodation to

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enable them to perform at their best. For more information about this policy, please refer to these guidelines and procedures: Academic Accommodation for Students with Disabilities [https://secretariat-policies.info.yorku.ca/policies/academic-accommodation-for-students-with-disabilities-guidelines-procedures-and-definitions/]. The university encourages students with disabilities to register with Student Accessibility Services [https://accessibility.students.yorku.ca] to discuss their accommodation needs as early as possible in the term. An Accessibility Counsellor will help you establish recommended academic accommodations, which will then need to be communicated to your course instructor(s) as necessary. Please let the course instructor(s) know as early as possible in the term if you anticipate requiring academic accommodation, so that your accommodation needs can be discussed and considered within the context of this course.

From SAS

Deferred Final Exams: Deferred standing may be granted to students who are unable to write their final examination at the scheduled time or to submit their outstanding course work on the last day of classes. Details can be found at http://myacademicrecord.students.yorku.ca/deferred-standing. ... No further extensions of deferred exams shall be granted. The format and covered content of the deferred examination may be different from that of the originally scheduled examination. The deferred exam may be closed book, cumulative and comprehensive and may include all subjects/topics of the textbook whether they have been covered in class or not.

Academic Honesty: The Faculty of Liberal Arts and Professional Studies considers breaches of the Senate Policy on Academic Honesty to be serious matters. The Senate Policy on Academic Honesty is an affirmation and clarification for members of the University of the general obligation to maintain the highest standards of academic honesty. As a clear sense of academic honesty and responsibility is fundamental to good scholarship, the policy recognizes the general responsibility of all faculty members to foster acceptable standards of academic conduct and of the student to be mindful of and abide by such standards. Suspected breaches of academic honesty will be investigated and charges shall be laid if reasonable and probable grounds exist. Students should review the York Academic Honesty policy for themselves at: http://www.yorku.ca/secretariat/policies/document.php?document=69. Students might also wish to review the interactive on-line Tutorial for students on academic integrity, at: https://spark.library.yorku.ca/academic-integrity-what-is-academic-integrity/.

Grading Scheme and Feedback Policy: The grading scheme (i.e. kinds and weights of assignments, essays, exams, etc.) shall be announced, and be available in writing, within the first two weeks of class, and, under normal circumstances, graded feedback worth at least 15% of the final grade for Fall, Winter or Summer Term, and 30% for 'full year' courses offered in the Fall/Winter Term be received by students in all courses prior to the final withdrawal date from a course without receiving a grade, with the following exceptions: *Note: Under unusual and/or unforeseeable circumstances which disrupt the academic norm, instructors are expected to provide grading schemes and academic feedback in the spirit of these regulations, as soon as possible*. For more information on the Grading Scheme and Feedback Policy, please visit: https://secretariat-policies.info.yorku.ca/policies/grading-scheme-and-feedback-policy/.

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In-Class Tests and Exams - the 20% Rule: For all Undergraduate courses, except those which regularly meet on Friday evening or on a weekend, tests or exams worth more than 20% will not be held in the two weeks prior to the beginning of the official examination period. For further information on the 20% Rule, please visit: http://secretariat-policies.info.yorku.ca/policies/limits-on-the-worth-of-examinations-in-the-final-classes-of-a-term-policy/

Reappraisals: Students may, with sufficient academic grounds, request that a final grade in a course be reappraised (which may mean the review of specific pieces of tangible work). Non-academic grounds are not relevant for grade reappraisals; in such cases, students are advised to petition to their home Faculty. Students are normally expected to first contact the course director to discuss the grade received and to request that their tangible work be reviewed. Tangible work may include written, graphic, digitized, modeled, video recording or audio recording formats, but not oral work. Students need to be aware that a request for a grade reappraisal may result in the original grade being raised, lowered or confirmed. For reappraisal procedures and information, please visit the Office of the Registrar site at: http://myacademicrecord.students.yorku.ca/grade-reappraisal-policy.

Accommodation Procedures: LA&PS students who have experienced a misfortune or who are too ill to attend the final examination in an ADMS course should not attempt to do so; they must pursue deferred standing. Other students should contact their home Faculty for information. For further information, please visit: http://ds.info.yorku.ca/academic-support-accomodations/

Religious Accommodation: York University is committed to respecting the religious beliefs and practices of all members of the community and making accommodations for observances of special significance to adherents. For more information on religious accommodation, please visit: https://w2prod.sis.yorku.ca/Apps/WebObjects/cdm.woa/wa/regobs

Academic Accommodation for Students with Disabilities (Senate Policy): The nature and extent of accommodations shall be consistent with and supportive of the integrity of the curriculum and of the academic standards of programs or courses. Provided that students have given sufficient notice about their accommodation needs, instructors shall take reasonable steps to accommodate these needs in a manner consistent with the guidelines established hereunder. For more information, please visit the Student Accessibility Services (formerly known as Counselling and Disability Services) website at https://accessibility.students.yorku.ca. York's disabilities offices and the Registrar's Office work in partnership to support alternate exam and test accommodation services for students with disabilities at the Keele campus. For more information on alternate exams and tests please visit http://www.yorku.ca/altexams/. Please alert the Course Director as soon as possible should you require special accommodations.

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