

School of Administrative Studies
Faculty of Liberal Arts and Professional Studies, York University
ADMS 4561 - TAXATION OF PERSONAL INCOME IN CANADA
COURSE OUTLINE FOR ALL SECTIONS
LAST UPDATED DECEMBER 19, 2021

WINTER 2022

All sections will meet remotely via Zoom for Lectures 1 & 2. Starting with Lecture 3 (January 24 & 26), all lectures will be on campus in the rooms below:

Section	Day	Time	Location	Professor	Email Address
M	Wednesday	11:30am-2:30pm	VC 104	Margaret Riggan	mriggin@vfmy.ca
N	Monday	7-10 pm	ACW 009	Stephanie Pantaleo	spantaleo@yorku.ca
O	Wednesday	4-7 pm	VC 103	Margaret Riggan	mriggin@vfmy.ca

Building on ADMS 3520, this course has been designed to achieve CPA Canada's taxation learning outcomes at CORE level as set out in pages 49 to 51 of the CPA Competency Map:

<https://www.cpacanada.ca/en/become-a-cpa/pathways-to-becoming-a-cpa/national-education-resources/the-cpa-competency-map> Further details on learning outcomes are provided at the beginning of the Lecture Notes for each class. To achieve these learning outcomes, students are recommended to devote at least six hours a week to the course outside of the class time.

Because you learned the basics of many of the laws that we cover in this course in ADMS 3520, the ADMS 3520 notes are posted at the top of our ADMS 4561 website so you can refresh that knowledge. In this course, you will learn the finer details of the rules you know as well as new rules. You will also apply the rules to more complex problem material and cases involving transactions and planning situations.

Students must take ADMS 3520 (or its equivalent) before ADMS 4561 as ADMS 4561 builds on ADMS 3520 knowledge. Together, ADMS 3520 and ADMS 4561 meet CPA Ontario's requirements for entry into PEP. If you take ADMS 3520 after ADMS 4561, York University will not give you degree credit for ADMS 3520.

Students who have taken a course that is similar to ADMS 3520 and would like to know whether it meets the prerequisite requirement should contact the tax course coordinator, Professor Joanne Magee (jmagee@yorku.ca). Students not meeting the prerequisite requirement may be dropped from the course. You must resolve your prerequisite situation (by contacting Professor Joanne Magee) before February 7, 2022 (i.e., the last day to enroll with permission).

Calendar Course Description

Together with AK/ADMS 4562 3.0*, introduces students to the principles and practice of Canadian taxation and related tax planning, to provide a basic understanding of the Canadian Income Tax Act and its GST implications in relation to individuals.

Prerequisites

- 1) For students in an Honours program, 78 credits including ADMS 3520;
- 2) or for other students, a grade of C+ or better in the above-listed course.

*ADMS 4562 3.0 is recommended for students working towards their CPA but it is not a required course as it focusses on tax technical at the CPA Tax Elective level.

Zoom - When we cannot have our class on campus (e.g., until January 24), we will use Zoom. These classes will not be recorded. In Zoom classes, you must have your camera on and provide your first and last name when you join a session so that we can take attendance and record participation. Links for all Zoom classes will be posted on the course eClass website.

Turnitin - We use Turnitin for online submissions to ensure that the York University Rules on academic integrity are followed. **Remember to use footnotes if you are citing references, including our course notes. Use quotation marks as well, if you are using direct quotes. Turnitin will pick these items up and marks will be deducted if you do not cite your references.** As you can see from the footnotes used in our course notes, we are not fussy about what style you use to cite your sources. Just do it. **If it is a URL, provide the link. If it is a page in 4561 Lecture Notes, indicate the week and the page.**

Course eclass Website - eClass is the learning platform used by York University. The course eClass website allows you to access the weekly course materials (Lecture Notes, Problem Sets, Problem Set Recording), past sample exams and the Capstone Assignment. It is also a secure site for you ask and answer questions and upload your online submissions.

1. All sections will use the same course website and you must visit it regularly. Our course website must be accessed using eclass at: <https://eclass.yorku.ca/eclass/my/> You will need to log on to eclass using your Passport York account and you must be registered in ADMS 4561 to access our course website. Technology requirements and FAQs for eclass can be found here – <https://lthelp.yorku.ca/95440-student-faq>

2. The Lecture Materials are posted in advance, so you can work at your own pace. The course website has Lecture Materials (Notes and Problem Sets) for each week which you need to read and review to prepare for class; many students find it useful to print them before class. The Problem Sets for each week will be covered in separate **Problem Set Recordings** posted the Friday before the live classes so you can review them before class. The Winter 2022 Term starts on Monday January 10. The Lecture 1 Materials and Zoom links for the Lecture 1 classes will be available on eClass on Friday January 7.

3. Because you need to listen to the weekly Problem Set Recordings before class, each live class will be approximately 2 hours long (with a break) and will focus on the Lecture Notes and any questions that you have. The course content will be presented using examples using a problem-solving approach. You need to raise your hand to ask or answer a question or use the chat room on Zoom. Students are also invited to ask questions via the course website between lectures, but these will not count for participation.

4. All sections will use the same course website and students can attend any section and get their participation mark (not just the one they are registered in). Some students sometimes find it helpful to attend two different sections of classes and you are welcome to do this but you will not get double participation marks.

Grade Components and Key Dates at a Glance

	%	Due date	
Class Participation	10%	1% for each of Lectures 1 to 10	Term work on in-class Lectures. 1% per class (10 marks max)
Midterm (2.5 hours)	35%	Sunday February 6 from 5 to 7:30 pm (Room TBA)	Covering Lectures 1 to 4.
Final (2.5 hours)	35%	Friday March 18 from 6 to 8:30 pm (Room TBA)	Covering Lectures 1 to 8, with relatively less coverage on material tested on the midterm.
Capstone Group Case Study Assignment*	20%	Monday April 11 at 11 pm online	Term work on the entire course but focusing on Lectures 9 and 10

*The Capstone Case Study Assignment may be done individually or in groups of up to 5. Group members can be from any section. More information on the assignments and exams will be provided closer to the date.

Note: The last day to drop the course without receiving a grade is March 18. If you withdraw after this deadline and before the end of classes (deadline April 13), the course remains on your transcript without a grade and is notated as “W”.

A schedule setting out the dates of classes and the topics covered is on the last page.

The textbook for this course is

- **Introduction to Federal Income Taxation in Canada (FIT) and Study Guide, Wolters Kluwer, by Johnstone, Mescall and Robson (2021/2022 edition – 42nd edition)** - i.e., the most recent edition, also available as an ebook. This textbook has very good examples and lots of problem material. Because this book is updated once a year in late August, the most recent edition of the book should be purchased. The Study Guide included in the package contains the recommended exercises and review questions (as well as the answers). We explain how to use the textbook to prepare for class later on in this outline. We will sometimes refer to exhibits and examples (in the FIT text) and exercises (in the FIT study guide) in the Lecture Notes and our classes.

The Income Tax Act - You do not need to purchase an *Income Tax Act*. We will use the Act in our class and you can look up the Act online at: <http://laws-lois.justice.gc.ca/eng/acts/i-3.3/> or use the Knotia version via the York U library website. You can also find the CRA website at <https://www.canada.ca/en/revenue-agency.html>

Other useful books:

- *Canadian Income Taxation*, Buckwald and Kitunen, McGraw-Hill
- *Canadian Tax Principles*, Prentice-Hall, by Byrd, Chen. This book is concise and has good explanations and examples and is used in ADMS 3520.
- *Preparing Your Income Tax Returns*, CCH. Many tax professionals use this book.
- *CFE Tax*, Thomson Carswell, by Jason Fleming

We use problem-based learning. To prepare for each class, we advise the following approach:

(a) Read the Lecture Notes first.

(b) Attempt the Problem Set next. **Answers to most problem set questions are provided.** The Problem Sets for each class will also be covered in recordings which will be posted on the Friday before each class.

Also, for extra practice we recommend certain FIT exercises and review questions that you can find in the FIT Study Guide. The answers to these items are contained in the FIT Study Guide. In each set of Lecture Notes, we recommend several for you to do.

(c) Use FIT as a reference to clarify your understanding of the law. You are only responsible for what is in the Lecture Notes and Problem Sets. There is much more in FIT than what we cover in this course.

If you have questions, please ask them in class or post them on the course website forum. But before you do that, please try to look the answer up for yourself. Because tax law is constantly changing and is very complex, one of the many skills needed for a career in taxation (or any accounting discipline) is the ability to do research. So, for technical questions related to course content, please try looking for answers to your questions in the lecture notes, the textbook, etc. first. By the same token, for administrative questions please try looking for answers in this course outline first. The course materials provide you with answers to most of the frequently asked questions. There is an Administrative Forum and a separate forum for each Lecture.

Each week, starting in week 1, you should:

1) spend 6 hours per week preparing for class. i.e., read the Lecture Notes and do the Problem Set problems.

Try to attempt all practice problems yourself before you look at the solution or listen to the Problem Set recordings. Doing practice problems is the best way to learn;

2) attend each class, pay attention all class and participate; and

3) do a debrief immediately after the class as well as before the midterm and final by re-reading the lecture notes and re-doing all practice problems. (Redoing practice problems will help you remember the complex tax rules that we cover).

As future professionals you are expected to act like professionals. In terms of **expected professional behaviour in class** you should:

- Prepare in advance for each class and debrief after each class.
- Arrive 10 minutes early for each class (especially for Zoom classes in case you have technical difficulties) since entering late means you may miss important announcements;
- Actively listen and ask and answer questions during class;
- There is one participation mark for each class. If you ask or answer a question, you will generally earn the participation mark as long as you exhibit professional behavior for the remainder of the class (e.g., you arrive on time and are prepared, engaged and respectful). Those who are disengaged during a class (e.g., doing something else on their laptop/tablet) will forfeit their participation mark for that Session. Cell phone use is prohibited during class. Anyone using a cellphone during class will forfeit their attendance/participation mark. Print your course materials or view them on your laptop/tablet;
- For the exams and the capstone assignment, read and follow the directions *and* fully comply with York's Academic Honesty Policy.
- Attend the entire class; If you need to leave early, be polite and tell the instructor ahead of time and try to leave at the break to minimize disruption and try to attend the second half of another section's class to avoid missing important information.

If you have a good reason for missing a class and advise your professor on a timely basis, your participation mark may be waived. Discuss this with your professor. You must participate in class and there are many opportunities. **There are NO on-line participation marks.**

Emails

You will receive emails about the course through the email address you have registered with York

Midterm (35%) and Final Exam (35%)**- Exam Questions**

These 2.5 hour (150 minute) will consist of 3 problems similar in difficulty to the problems in the notes and problem sets. These questions will require explanations and/or calculations.

- Preparing for the Exams

Since these two exams will contain problems similar to those found in the lecture notes and problem sets, it is very important that students work through the notes and problems provided and UNDERSTAND the technical material covered because the exam questions

- WILL test the same technical issues and will be similar in difficulty.

BUT

- WILL NOT be identical to those in the lecture materials (or past assignments or past exams)

To do well on the exams (and the capstone assignment), you need to

- read the question and identify the issues and the requireds

- do what is asked

- practice under exam conditions

To study for exams, review the Lecture notes and problem materials. Then look for past assignment or exam questions on those same topics on the course website to test yourself and practice under exam conditions.

Solutions to past assignments on Lectures 1&2 and 5&6 and midterms are posted. Please note that online exams from Summer 2020 to Fall 2021 were only 2 hours (not 2.5) and solutions have not been updated for changes in the law or indexing.

- Writing the Exam

Please note that these exams take place at a different time from the regularly scheduled class. Exam information will be posted on the course website closer to the exam dates.

Do not miss another class because of one of our exams. Students who have a conflict should contact their course director ASAP at least **10 days** prior to the exam to be put on the list to write an alternate ADMS 4561 midterm/exam. Students should explain the nature of their conflict.

Conflicts include: (a) religious conflicts; (b) having an exam at the same time; (c) having a class at the same time; (d) having 3 or more exams within 24 hours. Illness is not a conflict (for illness see below).

Examination Aids for On-campus Exams:

1. A non-programmable calculator can be used.

2. The Exam Info Sheet which is also posted on the course website. (Do not bring it with you. You will be provided with a clean copy.)

Exams must be prepared in ink and “whiteout” not used for the exam to be considered for remarking. If the exam is not prepared in ink or if whiteout is used, it will not be remarked.

No dictionaries or other aids are allowed. No cell phone is allowed to be used as a watch or clock. Cell phones must be turned off and put away during exams.

If you don't feel well, consult a doctor and do not attempt to write an exam.

If the Midterm is missed due to illness, appropriate documentation must be emailed to the course director within two weeks of the missed work. Do NOT email it to the office. The weighting of the midterm will be allocated to the final exam.

Please see: <https://www.yorku.ca/laps/sas/academic-resources/common-course-policies/> for Relevant University, Faculty and School regulations on

- **If a Final Exam is missed due to illness (Deferred Final Exams)**
- Academic Honesty
- Grading Scheme and Feedback Policy
- In-Class Tests and Exams - the 20% Rule
- Reappraisals
- Accommodation Procedures
- Religious Accommodation
- Academic Accommodation for Students with Disabilities

Private Third-Party Tutoring Companies, Academic Honesty and Support Resources

Many private, third-party tutoring companies advertise their services to YorkU students. One way you can help eliminate these advertisements is by changing your eClass profile settings to private (**see instructions below**). Some of these private companies claim to be affiliated with, or recognized and supported by, York University. Some also claim to help you by providing you with quiz and test answers, suggesting that this practice is safe and permitted by York. These claims are **not** true. York University has not officially recognized or endorsed any third-party tutoring service. Officially supported resources to help students learn course material are provided free by YorkU.

When you are provided with quiz, test and exam answers, you run the risk of violating the **university's academic honesty policy**. Students have been caught using these services to cheat and gain unfair advantage over honest students. The cheating students and "tutors" have received academic dishonesty punishments ranging from failing courses, to being expelled, to losing their YorkU degrees.

To hide your email address in eClass to prevent unwanted emails, please follow the following steps:

1. Click your name on the top-right of the eClass website, then click "Profile" on the drop-down menu;
2. Under "User details" click "Edit profile";
3. From the "Email display" drop-down menu choose "Hide my email address from non-privileged users";
4. Scroll to the bottom of the page and click on the "Update profile" button.

Lecture Schedule at a Glance

	Monday/Wednesday	
Lecture 1	Jan 10/12	
Lecture 2	Jan 17/19	
Lecture 3	Jan 24/26	
Lecture 4	Jan 31/Feb 2	
Midterm (35%)	Sunday February 6 5 to 7:30 pm (Room TBA)	
Lecture 5	Feb 7/9	
Lecture 6	Feb 14/16	
Reading Week	Feb 19-25	<i>No class</i>
Lecture 7	Feb 28/March 2	
Lecture 8	March 7/9	
Final Exam (35%)	Friday March 18 6 to 8:30 pm (Room TBA)	
Lecture 9	March 21/23	
Lecture 10	March 28/30	
	April 4/6	<i>No class but classroom is available for assignment group work</i>
Capstone Case Study Assignment (20%)	Monday April 11 at 11 pm on online	<i>April 11 is the last day to withdraw from the course (the course is noted as W on your transcript with no grade)</i>