

Subject Code	AF5213
Subject Title	Corporate Taxation and Tax Planning
Credit Value	3
Level	5
Normal Duration	1-semester
Pre-requisite / Co-requisite/ Exclusion	None
Role and Purposes	This subject aims to impart students with sound knowledge of Hong Kong tax framework, principles and practices for planning and decision making in corporate governance. It contributes to the achievement of MCG Programme Outcomes by enabling students to <u>explain current tax law and practice</u> in Hong Kong (Outcome 6), <u>develop a critical tax insight through effectively interpret up-to-date tax statutes, case law principles and analyze practical tax issues</u> , <u>apply the tax knowledge in corporate governance and management decision making</u> (Outcome 6).
Subject Learning Outcomes	Upon completion of the subject, students will be able to: <ul style="list-style-type: none"> (a) <u>explain the current law and practice relating to taxation</u> in Hong Kong; (b) <u>effectively interpret tax statutes, case law principles and practical tax issues</u>; and (c) <u>apply the tax knowledge in corporate governance and decision making</u>.
Subject Synopsis/ Indicative Syllabus	<p>Hong Kong Tax Framework Overview of Hong Kong taxation system. Law and practices of different taxes applicable to individuals, body of persons and corporations. Interactions between different taxes in a range of situations or transactions. Tax treatments of different types of income and expenses. Tax depreciation allowances.</p> <p>Applications in Corporate Governance and Decision Making Ethics in tax management – taxpayer’s obligations and rights, offences and penalties, tax evasion and tax avoidance, tax field audit and tax investigations. Tax treatment for branch and subsidiary companies. Foreign borrowing and lending arrangements. Tax incentives. Anti-avoidance provisions. Tax planning for individuals and corporations. Cross-border transactions and double tax arrangements.</p> <p>Stamp Duty Scope of charge, assessment, exemptions and reliefs. Implications to corporate administrators. Duty planning opportunities in practical situations.</p> <p>Introduction To Taxation in the PRC General features of selected taxes in China concerning foreign investors, including enterprise income tax and individual income tax.</p>

Teaching/Learning Methodology

Lectures cover the core principles and concepts of the subject syllabus. Seminars are for case studies, presentation and discussion. Students are expected to play an active role in seminars and are required to present tax problems/cases and articles. They are expected to apply subject knowledge to the discussion of the current tax issues faced by a corporate administrator in their working environment. A fair portion of guided reading will also be provided.

Assessment Methods in Alignment with Subject Learning Outcomes

Specific assessment methods/tasks	% weighting	Intended subject learning outcomes to be assessed (Please tick as appropriate)					
		a	b	c			
Term Test	25%	√	√	√			
Individual Assignment	15%	√	√	√			
Tutorial Participation and Discussion	10%	√	√	√			
Final Examination	50%	√	√	√			
Total	100%						

Explanation of the appropriateness of the assessment methods in assessing the intended learning outcomes:

Term test – Tax cases on individual income tax / property tax / tax administration that students are required to analyze the facts/tax issues and apply tax concepts/principles to provide tax solutions/explanations of tax implications/advices.

Individual Assignment – A tax problem on business and/or individual taxation that students are required to analyze the facts/tax issues and apply tax concepts/principles to provide tax solutions/explanations of tax implications/advices.

Tutorial Participation and Discussion – Students are required to participate actively in analyzing the facts/tax issues of problems/cases and apply tax concepts/principles to discuss tax implications both in the classroom and/or through subject Blackboard.

Final Examination – 3 hours examination with tax problems/cases that students are required to analyze the facts/tax issues and apply tax concepts/principles to provide tax solutions/explanations of tax implications/advices.

Note: To pass this subject, students are required to obtain Grade D or above in BOTH the Continuous Assessment and Examination components. In addition, the specific requirements on individual assessment components discussed above could be adjusted based on the pedagogical needs of subject lecturers.

Student Study Effort Required

Class contact:	
<ul style="list-style-type: none"> ▪ 13 weeks of 3 hours seminar each 	39 Hrs.

	Other student study effort:	
	<ul style="list-style-type: none"> ▪ Depends on their backgrounds, on average students are expected to spend around 2 more hours for each contact hour for reading subject materials/textbook, preparing tutorial participation and doing discussion questions and assignments. 	78 Hrs.
	Total student study effort	117 Hrs.
Reading List and References	<p>Prescribed Texts</p> <p>Wong P. and Wong J., <i>Taxation in Hong Kong: A Practical Guide 2018/19</i>, 5th edition (2018), Wolters Kluwer Hong Kong Ltd.</p> <p>Ho, P., <i>Hong Kong Taxation and Tax Planning</i>, 17th edition (2018), Pilot Publishing Company Limited.</p> <p>References</p> <p>Macpherson, A. and Pearce, J., <i>Hong Kong Taxation: Law and Practice</i>, 2016/17 edition, The Chinese University Press.</p> <p>Lee, D., <i>Advanced Taxation in Hong Kong</i>, 18th edition (2016), Pearson Education Asia Ltd.</p> <p>Halkyard, A., VanderWolk, J. and Chow, W., <i>Hong Kong Tax Law: Cases and Materials</i>, 6th edition, LexisNexis Hong Kong.</p> <p>Man, L., <i>Butterworths Hong Kong Inland Revenue Handbook</i>, 2nd edition (2013), LexisNexis Hong Kong.</p> <p>Willoughby and Halkyard, <i>Encyclopaedia of Hong Kong Taxation</i>, LexisNexis Hong Kong.</p> <p>Inland Revenue Ordinance (Chapter 112) and Inland Revenue Rules, with amendments, Hong Kong Government (https://www.elegislation.gov.hk/hk/cap112).</p> <p>Stamp Duty Ordinance (Chapter 117), with amendments, Hong Kong Government (https://www.elegislation.gov.hk/hk/cap117).</p> <p>Articles</p> <p>Selected articles from journals include:</p> <p><i>Asia-Pacific Journal of Taxation</i> <i>Journal of International Taxation</i> <i>Tax Planning International Review</i> <i>International Tax Journal</i></p> <p>IRD – Departmental Interpretation and Practice Notes.</p> <p>Web sites</p> <p>Tax law : http://www.legislation.gov.hk</p>	

IRD: <http://www.ird.gov.hk>

Board of Review Decisions: www.info.gov.hk/bor/en/published-decisions.htm

Court Judgments: <http://legalref.judiciary.gov.hk>