



# LAWS13014 Revenue Law

## Term 3 - 2020

Profile information current as at 20/04/2024 05:35 pm

All details in this unit profile for LAWS13014 have been officially approved by CQUniversity and represent a learning partnership between the University and you (our student). The information will not be changed unless absolutely necessary and any change will be clearly indicated by an approved correction included in the profile.

## General Information

### Overview

Revenue Law is an important consideration for those engaging in legal practice insofar as issues arising out of revenue law will impact on advice given in a range of different situations. This unit gives an understanding of the underlying concepts of revenue law focusing on the Income Tax Assessment Acts and supporting legislation as well as looking at other important areas of revenue law practice which impact on advice given such as Goods and Services Tax and Fringe Benefits Tax.

### Details

Career Level: *Undergraduate*

Unit Level: *Level 3*

Credit Points: *6*

Student Contribution Band: *10*

Fraction of Full-Time Student Load: *0.125*

### Pre-requisites or Co-requisites

Prerequisites: LAWS11057 and LAWS11059

Important note: Students enrolled in a subsequent unit who failed their pre-requisite unit, should drop the subsequent unit before the census date or within 10 working days of Fail grade notification. Students who do not drop the unit in this timeframe cannot later drop the unit without academic and financial liability. See details in the [Assessment Policy and Procedure \(Higher Education Coursework\)](#).

### Offerings For Term 3 - 2020

- Online

### Attendance Requirements

All on-campus students are expected to attend scheduled classes – in some units, these classes are identified as a mandatory (pass/fail) component and attendance is compulsory. International students, on a student visa, must maintain a full time study load and meet both attendance and academic progress requirements in each study period (satisfactory attendance for International students is defined as maintaining at least an 80% attendance record).

### Website

[This unit has a website, within the Moodle system, which is available two weeks before the start of term. It is important that you visit your Moodle site throughout the term. Please visit Moodle for more information.](#)

## Class and Assessment Overview

### Recommended Student Time Commitment

Each 6-credit Undergraduate unit at CQUniversity requires an overall time commitment of an average of 12.5 hours of study per week, making a total of 150 hours for the unit.

### Class Timetable

#### **Regional Campuses**

Bundaberg, Cairns, Emerald, Gladstone, Mackay, Rockhampton, Townsville

#### **Metropolitan Campuses**

Adelaide, Brisbane, Melbourne, Perth, Sydney

### Assessment Overview

#### **1. Written Assessment**

Weighting: 40%

#### **2. Written Assessment**

Weighting: 60%

### Assessment Grading

This is a graded unit: your overall grade will be calculated from the marks or grades for each assessment task, based on the relative weightings shown in the table above. You must obtain an overall mark for the unit of at least 50%, or an overall grade of 'pass' in order to pass the unit. If any 'pass/fail' tasks are shown in the table above they must also be completed successfully ('pass' grade). You must also meet any minimum mark requirements specified for a particular assessment task, as detailed in the 'assessment task' section (note that in some instances, the minimum mark for a task may be greater than 50%). Consult the [University's Grades and Results Policy](#) for more details of interim results and final grades.

## CQUniversity Policies

**All University policies are available on the [CQUniversity Policy site](#).**

You may wish to view these policies:

- Grades and Results Policy
- Assessment Policy and Procedure (Higher Education Coursework)
- Review of Grade Procedure
- Student Academic Integrity Policy and Procedure
- Monitoring Academic Progress (MAP) Policy and Procedure – Domestic Students
- Monitoring Academic Progress (MAP) Policy and Procedure – International Students
- Student Refund and Credit Balance Policy and Procedure
- Student Feedback – Compliments and Complaints Policy and Procedure
- Information and Communications Technology Acceptable Use Policy and Procedure

This list is not an exhaustive list of all University policies. The full list of University policies are available on the [CQUniversity Policy site](#).

## Previous Student Feedback

### Feedback, Recommendations and Responses

Every unit is reviewed for enhancement each year. At the most recent review, the following staff and student feedback items were identified and recommendations were made.

#### Feedback from student evaluation

##### **Feedback**

Textbook unnecessary

##### **Recommendation**

Students indicated that learning outcomes for the unit may be achieved without purchasing textbook. It is recommended that in the next offering, consideration be given as to whether a textbook is actually required, or whether a reading list could be developed using online and other similar resources.

#### Feedback from student evaluation

##### **Feedback**

Study guides too brief

##### **Recommendation**

Students indicated that the learning guides were still too brief. In next offering, study guides should be expanded to include additional information to the text book. They will also be updated to reflect recent legislative changes.

#### Feedback from student evaluation

##### **Feedback**

Low participation in Zoom sessions

##### **Recommendation**

The number of students that attended the live weekly Zoom session was rather low. Consideration could be given to running more than one live Zoom session each week to give more students a chance to attend. These sessions should continue to be recorded.

## Unit Learning Outcomes

### On successful completion of this unit, you will be able to:

1. Explain the distinction between income and capital and determine when taxpayers will be assessed on income or capital gains tax
2. Differentiate between expenses which constitute deductions and expenses which constitute capital and determine when expenditure may be utilised to reduce a taxpayer's assessable income
3. Apply the current tax legislation to the taxation of various entities, including consideration of international taxation agreements
4. Research and analyse the Australian Tax System, including the Goods and Services Tax (GST) and Fringe Benefits Tax (FBT) regimes
5. Apply analytical and critical legal skills in formulating ethical solutions to problems in revenue law.

## Alignment of Learning Outcomes, Assessment and Graduate Attributes



### Alignment of Assessment Tasks to Learning Outcomes

Assessment Tasks	Learning Outcomes				
	1	2	3	4	5
<b>1 - Communication</b>	•	•	•	•	•
<b>2 - Problem Solving</b>	•	•	•	•	•
<b>3 - Critical Thinking</b>	•	•	•	•	•
<b>4 - Information Literacy</b>	•	•	•	•	•
<b>5 - Team Work</b>					
<b>6 - Information Technology Competence</b>	•	•	•	•	•
<b>7 - Cross Cultural Competence</b>					
<b>8 - Ethical practice</b>	•	•	•	•	•
<b>9 - Social Innovation</b>					
<b>10 - Aboriginal and Torres Strait Islander Cultures</b>					

### Alignment of Assessment Tasks to Graduate Attributes

Assessment Tasks	Graduate Attributes									
	1	2	3	4	5	6	7	8	9	10
<b>1 - Written Assessment - 40%</b>	•	•	•	•		•				
<b>2 - Written Assessment - 60%</b>	•	•	•	•		•		•		

## Textbooks and Resources

### Textbooks

LAWS13014

#### Prescribed

##### Australian Premium Master Tax Guide

(2020)

Wolters Kluwer

Binding: Other

#### Additional Textbook Information

The Australian Premium Master Tax Guide can be accessed through the CCH IntelliConnect subscription held by CQU. Details of how to access this resource will be provided on Moodle.

### IT Resources

#### You will need access to the following IT resources:

- CQUUniversity Student Email
- Internet
- Unit Website (Moodle)

## Referencing Style

All submissions for this unit must use the referencing style: [Australian Guide to Legal Citation, 4th ed](#)  
For further information, see the Assessment Tasks.

## Teaching Contacts

**Dominic Katter** Unit Coordinator

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**Kirsty Abbott** Unit Coordinator

[k.unger@cqu.edu.au](mailto:k.unger@cqu.edu.au)

## Schedule

### Week 1 - 09 Nov 2020

Module/Topic	Chapter	Events and Submissions/Topic
Introduction to Revenue Law	CCH Editors, <i>Australian Premium Master Tax Guide</i> (2020) Wolters Kluwer, Ch 1. Sadiq, K, et al, <i>Principles of Taxation Law</i> (2020) Thomson Reuters, Ch 1, 2 and 3.	

### Week 2 - 16 Nov 2020

Module/Topic	Chapter	Events and Submissions/Topic
Income and Issues of Residence and Source	CCH Editors, <i>Australian Premium Master Tax Guide</i> (2020) Wolters Kluwer, Ch 21, ss 21-010 to 21-070 Sadiq, K, & Ors, <i>Principles of Taxation Law</i> (2020) Thomson Reuters, Ch 4 and 5	

### Week 3 - 23 Nov 2020

Module/Topic	Chapter	Events and Submissions/Topic

Income from Personal Exertion, Assets, Business and Compensation	CCH Editors, <i>Australian Premium Master Tax Guide</i> (2020) Wolters Kluwer, Ch 10. Sadiq, K., et al, <i>Principles of Taxation Law</i> (2020) Thomas Reuters, Ch 6, 8, 9 and 10.
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#### Week 4 - 30 Nov 2020

Module/Topic	Chapter	Events and Submissions/Topic
General Deductions	CCH Editors, <i>Australian Premium Master Tax Guide</i> (2020) Wolters Kluwer, Ch 16. Sadiq, K., et al, <i>Principles of Taxation Law</i> (Thomson Reuters, 2020) Ch 12	

#### Vacation Week - 07 Dec 2020

Module/Topic	Chapter	Events and Submissions/Topic

#### Week 5 - 14 Dec 2020

Module/Topic	Chapter	Events and Submissions/Topic
Specific Deductions and Tax Offsets	CCH Editors, <i>Australian Premium Master Tax Guide</i> (2020) Wolters Kluwer, Ch 15 and 16. Sadiq, K., et al, <i>Principles of Taxation Law</i> (2020), Thomson Reuters, Ch 13 and 15	<b>Written Assessment</b> Due: Week 5 Thursday (17 Dec 2020) 11:45 pm AEST

#### Week 6 - 21 Dec 2020

Module/Topic	Chapter	Events and Submissions/Topic
Capital Gains Tax (CGT)	CCH Editors, <i>Australian Premium Master Tax Guide</i> (2020) Wolters Kluwer, Ch 11. Sadiq, K., et al, <i>Principles of Taxation Law</i> (Thomson Reuters, 2020), Ch 11.	

#### Vacation Week - 28 Dec 2020

Module/Topic	Chapter	Events and Submissions/Topic

#### Week 7 - 04 Jan 2021

Module/Topic	Chapter	Events and Submissions/Topic
Fringe Benefits Tax (FBT) and Goods and Services Tax (GST)	CCH Editors, <i>Australian Premium Master Tax Guide</i> (2020) Wolters Kluwer, Ch 34 and 35. Sadiq, K., et al, <i>Principles of Taxation Law</i> (Thomson Reuters, 2020), Ch 7 and 25.	

#### Week 8 - 11 Jan 2021

Module/Topic	Chapter	Events and Submissions/Topic
Trading Stock and Tax Accounting and Small Business Exemptions	CCH Editors, <i>Australian Premium Master Tax Guide</i> (2020) Wolters Kluwer, Chs 7 and 9, ss 9-150 to 9-300. Sadiq, K., et al, <i>Principles of Taxation Law</i> (Thomson Reuters, 2020), Ch 16 and 17.	

#### Week 9 - 18 Jan 2021

Module/Topic	Chapter	Events and Submissions/Topic

Tax Entities- Trusts and Partnerships  
 CCH Editors, *Australian Premium Master Tax Guide* (2020) Wolters Kluwer, Ch 5 and 6  
 Sadiq K., et al, *Principles of Taxation Law* (Thomson Reuters, 2020), Ch 19

#### **Week 10 - 25 Jan 2021**

Module/Topic	Chapter	Events and Submissions/Topic
Tax Entities- Corporations, Shareholders, and Superannuation	CCH Editors, <i>Australian Premium Master Tax Guide</i> (2020) Wolters Kluwer, Chs 3, 13 and 14, ss 14-100 to 14-370 Sadiq, K., et al, <i>Principles of Taxation Law</i> (Thomson Reuters, 2020), Chs 18 and 21	

#### **Week 11 - 01 Feb 2021**

Module/Topic	Chapter	Events and Submissions/Topic
Tax Avoidance, Tax Administration	CCH Editors, <i>Australian Premium Master Tax Guide</i> (2020) Wolters Kluwer, Ch 30, ss 30-000 to 30-200 and Chs 28 and 29 Sadiq, K., et al, <i>Principles of Taxation Law</i> (Thomson Reuters, 2020), Chs 22 and 23	

#### **Week 12 - 08 Feb 2021**

Module/Topic	Chapter	Events and Submissions/Topic
International Taxation	CCH Editors, <i>Australian Premium Master Tax Guide</i> (2020) Wolters Kluwer, Ch 22. Sadiq, K., et al, <i>Principles of Taxation Law</i> (Thomson Reuters, 2020), Chapter 24.	<b>Written Assessment</b> Due: Week 12 Thursday (11 Feb 2021) 11:45 pm AEST

#### **Exam Week - 15 Feb 2021**

Module/Topic	Chapter	Events and Submissions/Topic

## Assessment Tasks

### 1 Written Assessment

#### **Assessment Type**

Written Assessment

#### **Task Description**

**Bloggs was born and educated in Australia and works as a carpenter. Bloggs recently married a person from Italy, who is in Queensland on a student visa completing a Masters degree at an Australian University. The student (now married to Bloggs) originally arrived in Brisbane on 1 May 2019. Bloggs has now been asked to consider working overseas for 18 months in the UAE office of his employer Australian company. Bloggs' new role will include travel overseas from the UAE to Europe and Asia, as well as Australia at least quarterly. Under the arrangement Bloggs will be employed by the Hong Kong office of his Australian employer company and his salary will be paid part into his UAE bank account and part into his Australian bank account. The contract for Bloggs' new position in the UAE was signed in Brisbane. His spouse, on completion of the Masters degree in Australia, has been offered a job with a large consultancy firm in Brisbane, which will commence in June 2021. Bloggs is currently renting a house in a Brisbane suburb with his spouse and will be giving up that lease. Bloggs also owns a car which will be left for a cousin to drive and maintain in Brisbane. The only other assets Bloggs has are superannuation from the employer and also employee shares. Bloggs has an Australian bank account into which his pay is credited. Whilst in the UAE, Bloggs will be given rental accommodation by the employer and will open a**

**bank account in the UAE to receive the pay, be a member of various expatriate and social organisations and will join a class to learn the Arabic language. Bloggs' spouse however will be unable to work in Dubai so intends to return to Italy and work there and visit Bloggs every 6 weeks in Dubai. Both Bloggs and the spouse leave on 24 April 2020 for the UAE.**

#### **REQUIRED**

- 1. Is Bloggs a resident or non-resident of Australia for taxation purposes for the year ending 30 June 2020?**
- 2. If the spouse of Bloggs is a resident of Australia for taxation purposes what additional steps, if any, could Bloggs take that may be relevant to the question of tax residency or source of income?**
- 3. What will be the source according to Australian taxation law of the employment income of Bloggs when he commences work in the UAE?**

**In your answer you are to refer to the relevant legislation, tax rulings and case law.**

You are required to submit one **WORD** document (not PDF) containing all parts of your Written Assessment with the document name as your student name with student number (e.g. Peter Smith s001234)

Full details of the assignment task are available on the Assessment page on the Revenue Law Moodle site. Please ensure that you read all of the information given on the Assessment page on this site.

#### **Assessment Due Date**

Week 5 Thursday (17 Dec 2020) 11:45 pm AEST

Assignments that are not submitted on time will attract a late penalty unless an extension has been granted. All extension applications should be made via Moodle. Please provide documentation to support your application.

#### **Return Date to Students**

Week 7 Friday (8 Jan 2021)

Assignments submitted on time will be returned by Friday 8 January 2021 before 11:45pm. No submissions will be accepted after the return date unless an extension has been granted beyond the return date.

#### **Weighting**

40%

#### **Assessment Criteria**

The following criteria will generally be used to grade the assignment:

1. Your ability to identify the relevant facts of the case;
2. Your ability to develop these relevant facts into a logical argument;
3. Your ability to demonstrate an understanding of the key issues decided by the case;
4. Your ability to identify resulting changes from the case - for example, did this case clarify the law, or change it? In what way?
5. Clarity of communication, which will include, but not be limited to the development of a clear and logical structure, the use of headings and so on. Please note that the assignment should be limited to 2500 words, excluding referencing.
6. Correct referencing. Please note that you are required to follow the Australian Guide to Legal Citation version 4 and adopt footnote referencing.

#### **Referencing Style**

- [Australian Guide to Legal Citation, 4th ed](#)

#### **Submission**

Online

#### **Submission Instructions**

Students must submit their assignment as a "Word" document. Do not submit in PDF.

#### **Learning Outcomes Assessed**

- Explain the distinction between income and capital and determine when taxpayers will be assessed on income or capital gains tax
- Differentiate between expenses which constitute deductions and expenses which constitute capital and determine when expenditure may be utilised to reduce a taxpayer's assessable income
- Apply the current tax legislation to the taxation of various entities, including consideration of international taxation agreements
- Research and analyse the Australian Tax System, including the Goods and Services Tax (GST) and Fringe Benefits Tax (FBT) regimes
- Apply analytical and critical legal skills in formulating ethical solutions to problems in revenue law.

## **Graduate Attributes**

- Communication
- Problem Solving
- Critical Thinking
- Information Literacy
- Information Technology Competence

## **2 Written Assessment**

### **Assessment Type**

Written Assessment

### **Task Description**

Betty runs a small retail business as a sole trader. Betty also works part-time as an accountant for a public accounting firm and derives additional income from a rental property. Betty's personal records for the year ended 30 June 2020 reveal the following (all numbers are GST exclusive):

Receipts

\$99,000 Retail Sales

\$30,000 Net Salary (after employer had withheld tax instalments of \$15,000)

\$15,000 Rental income from an investment property

\$5000 Exempt income from serving in the Army reserve

\$21,000 Dividend franked to 60% received from an Australian resident public company

\$17,000 Dividend received from a Chinese resident company, net of 15% tax of \$3,000 was withheld in China pursuant to the Australia-China Double Tax Agreement

\$8,000 Net business income received from Panama. \$2,000 was withheld pursuant to the Panama income tax legislation

\$1,000 Medical expense refunds from Medicare

\$7,000 Employment income from working in Senegal - see note (a)

\$10,000 Value of fringe benefit received from being an employee of the public accounting firm

\$20,000 Net capital gain from the sale of shares acquired during the 2019-2020 income year

Payments

\$3,000 Rates and Insurance on investment property

\$10,000 Interest on money borrowed to purchase the investment property

\$10,000 Salaries of employees working in the retail business

\$6,000 Doctor's fees

\$1,000 Dentist fees

\$30,000 Maintenance of the rental property, which consisted of \$10,000 to paint the outside of the house due to wear and tear and \$20,000 to upgrade the kitchen with better fittings

\$5,000 Borrowing expenses relating to a new loan on the rental property, which is used exclusively for income producing purposes. The loan is for 6 years and commenced on 1 April 2020

\$2,500 Travel between work and family home

\$2,000 Rates on family home

\$11,000 Purchases of trading stock

\$1,000 Legal fees paid to a solicitor to collect outstanding trade debts

\$1,000 Legal fees paid to a solicitor for preparing a lease of the investment property

\$2,000 Donations (\$1,000 to the Red Cross and \$1,000 to the Brisbane Football Club)

### **Additional Information**

(a) Betty earned \$7,000 working in Senegal from 1 March 2019 to 31 May 2020. Betty did not pay tax in Senegal.

(b) On 1 August 2019 Betty lent \$2,000 to an employee who was subsequently declared bankrupt on 19 January 2020. Betty 'wrote the debt off' on 30 June 2020. Betty has occasionally lent money to employees.

(c) Betty has a carry forward prior year trading tax loss of \$15,000 and an 'unabsorbed' capital loss of \$25,000 from the 2019-2020 income year.

(d) Betty and all members of her family are members of a Private Health Fund and do have private hospital insurance.

(e) Betty's business is considered a small business for tax purposes and the business returns income on a cash

basis. Betty's trading stock on hand at the end of the year was valued at \$27,000 (at cost price), \$28,000 (at replacement price), \$29,000 (at market selling value). Opening stock was valued at \$35,000 using the replacement value.

(f) Accounting Depreciation was calculated at \$15,000. The Tax Depreciation Schedule shows depreciation for the income year as \$22,000.

### **REQUIRED**

Calculate Betty's taxable income and income tax payable for the year ended 30 June 2020.

Explain the treatment of each item.

You are required to submit one **WORD** document (not PDF) containing all parts of your Written Assessment with the document name as your student name with student number (e.g. Peter Smith s001234)

### **Assessment Due Date**

Week 12 Thursday (11 Feb 2021) 11:45 pm AEST

Assignments that are not submitted on time will attract a late penalty unless an extension has been granted. All extension applications should be made via Moodle. Please provide documentation to support your application.

### **Return Date to Students**

Exam Week Friday (19 Feb 2021)

Assignments submitted on time will be returned on Friday 19 Feb 2021 before 11:45pm. No submissions will be accepted after the return date unless an extension has been granted beyond the return date.

### **Weighting**

60%

### **Assessment Criteria**

The following criteria will generally be used to grade the assignment:

1. Your ability to identify the key issues.
2. Your ability to develop these key issues into a logical argument. In the case of the hypothetical questions, this will mean supporting your answers with reference to legislation, case law and ATO guidance materials.
3. Accurate numerical answers, where relevant.
4. Clarity of communication, which will include, but not be limited to the development of a clear and logical structure, the use of headings and so on. Please note that the assignment should be limited to 3000 words, excluding referencing.
5. Correct referencing. Please note that you are required to follow the Australian Guide to Legal Citation version 4 and adopt footnote referencing.

### **Referencing Style**

- [Australian Guide to Legal Citation, 4th ed](#)

### **Submission**

Online

### **Submission Instructions**

Word document only and not pdf.

### **Learning Outcomes Assessed**

- Explain the distinction between income and capital and determine when taxpayers will be assessed on income or capital gains tax
- Differentiate between expenses which constitute deductions and expenses which constitute capital and determine when expenditure may be utilised to reduce a taxpayer's assessable income
- Apply the current tax legislation to the taxation of various entities, including consideration of international taxation agreements
- Apply analytical and critical legal skills in formulating ethical solutions to problems in revenue law.

### **Graduate Attributes**

- Communication
- Problem Solving
- Critical Thinking
- Information Literacy
- Information Technology Competence
- Ethical practice

# Academic Integrity Statement

As a CQUniversity student you are expected to act honestly in all aspects of your academic work.

Any assessable work undertaken or submitted for review or assessment must be your own work. Assessable work is any type of work you do to meet the assessment requirements in the unit, including draft work submitted for review and feedback and final work to be assessed.

When you use the ideas, words or data of others in your assessment, you must thoroughly and clearly acknowledge the source of this information by using the correct referencing style for your unit. Using others' work without proper acknowledgement may be considered a form of intellectual dishonesty.

Participating honestly, respectfully, responsibly, and fairly in your university study ensures the CQUniversity qualification you earn will be valued as a true indication of your individual academic achievement and will continue to receive the respect and recognition it deserves.

As a student, you are responsible for reading and following CQUniversity's policies, including the [Student Academic Integrity Policy and Procedure](#). This policy sets out CQUniversity's expectations of you to act with integrity, examples of academic integrity breaches to avoid, the processes used to address alleged breaches of academic integrity, and potential penalties.

## What is a breach of academic integrity?

A breach of academic integrity includes but is not limited to plagiarism, self-plagiarism, collusion, cheating, contract cheating, and academic misconduct. The Student Academic Integrity Policy and Procedure defines what these terms mean and gives examples.

## Why is academic integrity important?

A breach of academic integrity may result in one or more penalties, including suspension or even expulsion from the University. It can also have negative implications for student visas and future enrolment at CQUniversity or elsewhere. Students who engage in contract cheating also risk being blackmailed by contract cheating services.

## Where can I get assistance?

For academic advice and guidance, the [Academic Learning Centre \(ALC\)](#) can support you in becoming confident in completing assessments with integrity and of high standard.

## What can you do to act with integrity?



### Be Honest

If your assessment task is done by someone else, it would be dishonest of you to claim it as your own



### Seek Help

If you are not sure about how to cite or reference in essays, reports etc, then seek help from your lecturer, the library or the Academic Learning Centre (ALC)



### Produce Original Work

Originality comes from your ability to read widely, think critically, and apply your gained knowledge to address a question or problem