

## 4SB3 Introduction to Canadian Taxation Fall 2024 Course Outline

### Accounting and Financial Management Services DeGroote School of Business McMaster University

#### *COURSE OBJECTIVE*

*The objective of the course is to provide students with a in depth understanding of the Canadian Income tax system to prepare them for the CPA Exam.*

#### *INSTRUCTOR AND CONTACT INFORMATION*

<b>Section 1:</b>	<b>Section 2:</b>	<b>Section 3:</b>
Friday: 8:30 - 11:20	Thursday: 2:30 - 5:20	Tuesday: 11:30 - 2:20

**Eric Bentzen-Bilkvist**  
Instructor  
[erichb@petmas.ca](mailto:erichb@petmas.ca)  
Office: DSB/234  
Office Hours: To be arranged  
Tel: (905) 522-6555, ext 224

**Course website:** <http://avenue.mcmaster.ca/>  
<http://app.tophat.com/>

#### *COURSE ELEMENTS*

Credit Value:	3	Leadership:	Yes	IT skills:	No	Global view:	Yes
A2L	Yes	Ethics:	No	Numeracy:	Yes	Written skills:	No
Participation:	Yes	Innovation:	Yes	Group work:	Yes	Oral skills:	Yes
Evidence-based:	Yes	Experiential:	No	Final Exam:	Yes	Guest speaker(s):	No

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## ***COURSE DESCRIPTION***

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This is the first of two introductory courses in Federal income tax law which are designed to achieve the following objectives:

- (1) to explain the theoretical concepts behind the specific provisions of the law,
  - (2) to apply the law in practical problems and case settings,
  - (3) to interpret the law, taking into account the specific wording of the provisions, judicial decisions and Canada Revenue Agency's (CRA) position, and
  - (4) to introduce basic tax planning concepts through problem application.
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## ***LEARNING OUTCOMES***

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Upon successful completion of this course, students will be able to complete the following key tasks:

- Be prepared for the CPA exam
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## ***COURSE MATERIALS AND READINGS***

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**TEXTBOOKS:** We will use the following reading materials, available from the McMaster bookstore. Both text books are required.

- N. Johnstone, D. Mescall and J. Robson, *Introduction to Federal Income Taxation in Canada, 2023 - 2024, 45<sup>th</sup> edition with Student Study Guide*, CCH Canadian Limited, North York, Ontario 2024.
- *Canadian Income Tax Act with Regulations*. (Current edition available in bookstore).

Texts are available at the bookstore. Due to the volatile nature of the law governing the study of income tax, students should not attempt the course without current text materials.

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## ***COURSE OVERVIEW AND ASSESSMENT***

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Students are expected to do the required readings and keep up with the exercises and assignments at the end of each chapter in the text. Class preparation is essential if the student wishes to obtain maximum benefit from class work.

The prime teaching method is class discussion and solving of assigned problems. During the discussion of an assigned problem the instructor will make overview comments, explain the underlying concepts or rationale of the material being applied and emphasize a systematic

approach to problems. Extended lectures will not be given on materials that students can read and understand through application. Your final grade will be calculated as follows:

The components of the course grade will be weighted as follows:

Component	Percent
Participation	20%
Midterm (tentative, <b>Fri, October 25 @ TBD</b> )	40%
Final	40%
Total	100%

The mid-term examination will be graded on a numerical marking scheme. Students will be informed how the numerical marks can be interpreted in terms of the official letter-grade scale at the time the exams are returned.

There will be no makeups for the mid-term examination. If a student has a valid reason for missing the mid-term examination, as documented by a medical certificate, etc., this portion of the grade will be re-weighted to the final examination. The rules customarily followed by the School of Business will govern absence from the final examination.

The instructor reserves the right to adjust grades for class participation or in the event significant improvement is noted on the final exam. If you have any specific questions in this regard, please ask.

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### ***REQUESTING RELIEF FOR MISSED ACADEMIC WORK***

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In the event of an absence for medical or other reasons, students should review and follow the Academic Regulation in the Undergraduate Calendar [“Requests for Relief for Missed Academic Term Work”](#) and the link below\*;

<http://ug.degroote.mcmaster.ca/forms-and-resources/missed-course-work-policy/>

\* Non-Commerce students must follow the Missed Course Work protocols outlined by their home faculty and Program Office.

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### ***GENERATIVE AI***

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#### **USE PROHIBITED**

Students are not permitted to use generative AI in this course. In alignment with [McMaster academic integrity policy](#), it “shall be an offence knowingly to ... submit academic work for

assessment that was purchased or acquired from another source". This includes work created by generative AI tools. Also state in the policy is the following, "Contract Cheating is the act of "outsourcing of student work to third parties" (Lancaster & Clarke, 2016, p. 639) with or without payment." Using Generative AI tools is a form of contract cheating. Charges of academic dishonesty will be brought forward to the Office of Academic Integrity.

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## ***ACADEMIC INTEGRITY***

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You are expected to exhibit honesty and use ethical behaviour in all aspects of the learning process. Academic credentials you earn are rooted in principles of honesty and academic integrity. **It is your responsibility to understand what constitutes academic dishonesty.**

Academic dishonesty is to knowingly act or fail to act in a way that results or could result in unearned academic credit or advantage. This behaviour can result in serious consequences, e.g. the grade of zero on an assignment, loss of credit with a notation on the transcript (notation reads: "Grade of F assigned for academic dishonesty"), and/or suspension or expulsion from the university.

For information on the various types of academic dishonesty please refer to the [Academic Integrity Policy](https://secretariat.mcmaster.ca/university-policies-procedures-guidelines/), located at <https://secretariat.mcmaster.ca/university-policies-procedures-guidelines/>

The following illustrates only three forms of academic dishonesty:

- plagiarism, e.g. the submission of work that is not one's own or for which other credit has been obtained.
- improper collaboration in group work.
- copying or using unauthorized aids in tests and examinations.

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## ***AUTHENTICITY/PLAGIARISM DETECTION***

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**Some courses may** use a web-based service (Turnitin.com) to reveal authenticity and ownership of student submitted work. For courses using such software, students will be expected to submit their work electronically either directly to Turnitin.com or via an online learning platform (e.g. A2L, etc.) using plagiarism detection (a service supported by Turnitin.com) so it can be checked for academic dishonesty.

Students who do not wish their work to be submitted through the plagiarism detection software must inform the Instructor before the assignment is due. No penalty will be assigned to a student who does not submit work to the plagiarism detection software.

**All submitted work is subject to normal verification that standards of academic integrity have been upheld** (e.g., on-line search, other software, etc.). For more details about McMaster's use of Turnitin.com please go to [www.mcmaster.ca/academicintegrity](http://www.mcmaster.ca/academicintegrity).

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### ***COURSES WITH AN ON-LINE ELEMENT***

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**Some courses may** use on-line elements (e.g. e-mail, Avenue to Learn (A2L), LearnLink, web pages, capa, Moodle, ThinkingCap, etc.). Students should be aware that, when they access the electronic components of a course using these elements, private information such as first and last names, user names for the McMaster e-mail accounts, and program affiliation may become apparent to all other students in the same course.

The available information is dependent on the technology used. Continuation in a course that uses on-line elements will be deemed consent to this disclosure. If you have any questions or concerns about such disclosure please discuss this with the course instructor.

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## **ONLINE PROCTORING**

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**Some courses may** use online proctoring software for tests and exams. This software may require students to turn on their video camera, present identification, monitor and record their computer activities, and/or lock/restrict their browser or other applications/software during tests or exams. This software may be required to be installed before the test/exam begins.

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## **CONDUCT EXPECTATIONS**

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As a McMaster student, you have the right to experience, and the responsibility to demonstrate, respectful and dignified interactions within all of our living, learning and working communities. These expectations are described in the [Code of Student Rights & Responsibilities](#) (the “Code”). All students share the responsibility of maintaining a positive environment for the academic and personal growth of all McMaster community members, **whether in person or online**.

It is essential that students be mindful of their interactions online, as the Code remains in effect in virtual learning environments. The Code applies to any interactions that adversely affect, disrupt, or interfere with reasonable participation in University activities. Student disruptions or behaviours that interfere with university functions on online platforms (e.g. use of Avenue 2 Learn, WebEx or Zoom for delivery), will be taken very seriously and will be investigated. Outcomes may include restriction or removal of the involved students’ access to these platforms.

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## **ACADEMIC ACCOMMODATION OF STUDENTS WITH DISABILITIES**

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Students with disabilities who require academic accommodation must contact [Student Accessibility Services](#) (SAS) at 905-525-9140 ext. 28652 or [sas@mcmaster.ca](mailto:sas@mcmaster.ca) to make arrangements with a Program Coordinator. For further information, consult McMaster University’s [Academic Accommodation of Students with Disabilities](#) policy.

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## **ACADEMIC ACCOMMODATION FOR RELIGIOUS, INDIGENOUS OR SPIRITUAL OBSERVANCES (RISO)**

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Students requiring academic accommodation based on religious, indigenous or spiritual observances should follow the procedures set out in the [RISO](#) policy. Students should submit their request to their Faculty Office **normally within 10 working days** of the beginning of term in which they anticipate a need for accommodation or to the Registrar's Office prior to their examinations. Students should also contact their instructors as soon as possible to make alternative arrangements for classes, assignments, and tests.

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## ***COPYRIGHT AND RECORDING***

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Students are advised that lectures, demonstrations, performances, and any other course material provided by an instructor include copyright protected works. The Copyright Act and copyright law protect every original literary, dramatic, musical and artistic work, **including lectures** by University instructors.

The recording of lectures, tutorials, or other methods of instruction may occur during a course. Recording may be done by either the instructor for the purpose of authorized distribution, or by a student for the purpose of personal study. Students should be aware that their voice and/or image may be recorded by others during the class. Please speak with the instructor if this is a concern for you.

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## ***EXTREME CIRCUMSTANCES***

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The University reserves the right to change the dates and deadlines for any or all courses in extreme circumstances (e.g., severe weather, labour disruptions, etc.). Changes will be communicated through regular McMaster communication channels, such as McMaster Daily News, A2L and/or McMaster email.

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## ***RESEARCH USING HUMAN SUBJECTS***

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All researchers conducting research that involves human participants, their records or their biological material are required to receive approval from one of McMaster's Research Ethics Boards before (a) they can recruit participants and (b) collect or access their data. Failure to comply with relevant policies is a research misconduct matter. Contact these boards for further information about your requirements and the application process.

McMaster Research Ethics Board (General board): <https://reo.mcmaster.ca/>  
Hamilton Integrated Research Ethics Board (Medical board): <http://www.hireb.ca/>

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## ***ACKNOWLEDGEMENT OF COURSE POLICIES***

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Your enrolment in Commerce 4SB3 will be considered to be an implicit acknowledgement of the course policies outlined above, or of any other that may be announced during lecture and/or on A2L. **It is your responsibility to read this course outline, to familiarize yourself with the course policies and to act accordingly.**

Lack of awareness of the course policies **cannot be invoked** at any point during this course for failure to meet them. It is your responsibility to ask for clarification on any policies that you do not understand.

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**COURSE SCHEDULE**


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**Commerce 4SB3  
Introduction to Canadian Taxation**

**Fall 2024 Course Schedule**

The outline of the course will follow, sequentially, the chapters 1 to 10 in the text. As indicated in the preface, which should be read by students, that book is designed to guide the student through the other required materials. Assigned readings are listed in each chapter at the start of each topic.

<b>CHAPTER</b>	<b>TOPIC</b>	<b>APPROXIMATE DURATION</b>
1 & 2	Introduction and Liability for Income Tax	1 week
3	Employment Income	2 weeks
4	Income from Business	2 weeks
5	The Capital Cost Allowance System	1 week
6	Income from Property	1 week
7	Capital Gains: An Introduction	1 week
8	Non “Arm’s Length” Transfers	1 week
9	Other Sources of Income and Deductions in Computing Income	1 week
10	Computation of Taxable Income and Tax for Individuals	2 weeks