

Course Title	Tax Compliance I (UK)			
Course Code	ACF 335			
Course Type	Elective			
Level	Undergraduate			
Year / Semester	Year 3 / Semester 6			
Teacher's Name	STYLIANI EFTYCHIOU/ALEXANDROS GAREFALAKIS/PHANOS IACOVOU			
ECTS	6	Lectures / week	3	Laboratories / week
Course Purpose and Objectives	<p>To enable students in straightforward scenarios to:</p> <ul style="list-style-type: none"> • prepare tax computations for individuals and companies. • understand the tax implications of a course of action; and • explain potential tax treatments of transactions. 			
Learning Outcomes	<p>On successful completion of this exam, candidates should be able to:</p> <p>A. recognise the ethical issues arising while performing tax work and identify the obligations the UK system of taxation imposes on taxpayers and the implications for taxpayers of non-compliance.</p> <p>B. calculate the capital gains tax payable by individuals.</p> <p>C. calculate the amounts of income tax owed by or owed to individuals; and</p> <p>D. calculate the amounts of national insurance payable by individuals, businesses, and companies.</p>			
Prerequisites	NONE	Required	NONE	
Course Content	<p>A. Ethics and Law</p> <ol style="list-style-type: none"> 1. Identify the five fundamental principles and guidance given in the IESBA Code of Ethics for Professional Accountants and the ICAEW Code of Ethics as well as other relevant guidance, including Professional Conduct in Relation to Taxation (PCRT), in relation to a tax practice regarding: <ul style="list-style-type: none"> • the threats and safeguards framework. • disclosure of information. • conflicts of interest. • confidentiality. 2. Identify the law and the guidance in the ICAEW Code of Ethics as well as other relevant guidance, including Professional Conduct in Relation to Taxation (PCRT), regarding: 			

- new client procedures.
- regulatory requirements for tax practices.
- HMRC errors.
- money laundering.
- tax planning, tax avoidance and tax evasion.

3. Identify legal and ethical issues arising from tax work undertaken and explain the significance of these issues and suggest appropriate actions or responses.
4. Identify and explain to all stakeholders the implications of digital tax accounts on UK taxpayers.

B. Capital Gains Tax

1. Calculate the chargeable gains and losses on assets, including chattels, and shares and securities.
2. Describe the circumstances in which the following reliefs apply and calculate the effect of full or partial relief available in a given situation:
 - letting relief.
 - principal private residence relief.
 - gift relief.
 - rollover relief.
 - entrepreneurs' relief.
3. Explain the impact of an individual's residence, domicile and deemed domicile on their capital gains tax liability.
4. Calculate total taxable gains and tax payable thereon, using available reliefs and losses to reduce the liability, including the computation of double tax relief where appropriate.

C. Income Tax and NIC

TRADING PROFITS

1. Calculate trading profits or losses after adjustments and allowable deductions (including capital allowances on plant and machinery) using either the accruals basis or cash basis of accounting.

UNINCORPORATED BUSINESSES

1. Calculate the assessable trading profits or losses of a partnership including after a change in the profit-sharing ratio or change in partners, and allocate the profits or losses to each partner including the allocation of notional profits and losses.
2. Calculate the assessable trading profits or losses for a new unincorporated business and identify the overlap profits on the commencement of trade.

	<ol style="list-style-type: none"> 3. Calculate the assessable trading profits or losses for a continuing business. 4. Calculate the final assessable trading profits or losses for an unincorporated business ceasing to trade. 5. Explain and illustrate the possible uses of trading losses in a new or continuing business or a business ceasing to trade. <p>TAXATION OF INCOME</p> <ol style="list-style-type: none"> 1. Calculate assessable employment income for an employee or director, considering expenses, allowable deductions, and assessable benefits. 2. Calculate taxable savings, income from property, dividend income, taxed income, and investment income. 3. Describe and calculate the principal aspects of the taxation of property income, including interest relief, rent-a-room relief, and the application of the cash basis. 4. Explain the impact of an individual's residence, domicile and deemed domicile. 5. Calculate total taxable income and the income tax payable or repayable for employees, company directors, partners and self-employed individuals including the computation of double tax relief where appropriate and payments under the self-assessment system. <p>NATIONAL INSURANCE CONTRIBUTIONS</p> <ol style="list-style-type: none"> 1. Identify the different classes of national insurance contributions. 2. Recognise when the annual maxima rules for the payment of national insurance contributions apply. 3. Calculate the total national insurance contributions payable by employees, employers, and self-employed individuals.
<p>Teaching Methodology</p>	<ul style="list-style-type: none"> • Working on problem-solving scenarios. • In-class discussions. • Writing and reply on objective type questions. • Solving unstructured questions and case studies. • Brief oral presentation before starting a new chapter and reply to queries from students. • Homework for revision purposes.

	<ul style="list-style-type: none"> • Interaction and collaborative learning. • Video Watching. 								
Bibliography	<p><u>Essential Reading:</u> ICAEW (2021). <u>Tax Compliance Study Manual and Question Bank 2020.</u></p> <p><u>Recommended Reading:</u> Mark Hunt and Malcolm Finney. <u>UK Taxation: A Simplified Guide for Students: Finance Act 2020 Edition.</u></p>								
Assessment	<table> <tr> <td>Participation</td> <td>10%</td> </tr> <tr> <td>Midterm Exam</td> <td>20%</td> </tr> <tr> <td>Assignment</td> <td>10%</td> </tr> <tr> <td>Final Exam</td> <td>60%</td> </tr> </table>	Participation	10%	Midterm Exam	20%	Assignment	10%	Final Exam	60%
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Language	English								