

AFAT 421 - Advanced Taxation II

Course Title	Advanced Taxation II			
Course Code	AFAT 421			
Course Type	Elective			
Level	BA (Level 1)			
Year / Semester	8 th			
Teacher's Name	Andreas Georgiou.			
ECTS	6	Lectures / week	3	Laboratories/week
Course Purpose	<p>The module aims to examine means of minimising or deferring tax liabilities through the use of standard tax planning measures.</p> <p>It also aims to identify the principles underlying personal financial management for companies.</p> <p>Students should be able to advise clients on tax issues that are based supporting computations and their interpretation.</p>			
Learning Outcomes	<p>By the end of the lesson, the student will be able to:</p> <ol style="list-style-type: none"> 1. Construct corporation tax computations for special purpose enterprises. 2. Discuss and apply the tax effects on distributions to shareholders after a winding up has concerned. 3. Explain, by letters or report, how to minimise or defer tax liabilities through the use of standard tax planning measures 4. Discuss and apply the principles underlying corporate financial management. 5. Prepare tax computations relevant to firms controlled by connected persons. 6. Propose solutions to clients on tax issues that are based supporting computations and their interpretation. 7. Examine computational and theoretical aspects of stamp duty and transfer fees 8. Evaluate the impact of relevant taxes on various situations and the proposal of alternative ways to minimise tax liabilities. 9. Apply communication skills in the form of: reports, memos, letters and presentations. 			
Prerequisites	ABSA 414.		Corequisites	None.

Course Content

- **All aspects from previous modules in taxation that is ABSA 413, ABSA 413 and AFAT 420 are carried forward to this module.**
- **Corporation tax:** Computations involving basic and advanced aspects (overseas aspects). Computations for special purpose enterprises (e.g. investment companies, insurance, shipping etc). Examine and apply the tax effects on distributions to shareholders after a winding up has concerned.
- **Connected persons** - Explain the “arm’s length” principle and its tax implications. Prepare tax computations involving companies controlled by five or fewer persons. Examine the tax implications of director loans.
- **Stamp duty:** Recognise its: scope and exemptions. Apply to computations. Explain and apply the administration of stamp duty.
- **Immoveable property tax:** Recognise its: scope and exemptions. Apply to computations. Explain and apply the administration of immoveable property tax.
- **Corporate Financial Management:** Discuss corporate financial management principles of: sources of finance for business; the tax implications of equity finance; the tax implications of loan finance and, the tax implications of lease or buy decisions. Apply these aspects to case study scenarios.
- **Capital Gains Tax:** Explain and apply capital gains tax in the areas of: leases; wasting assets; shares and securities; overseas capital gains, trusts and tax reliefs. Provide solutions to minimising tax using available tax reliefs.
- **VAT:** Recognise the basic principles concerning groups and divisions. Identify the rules on advanced aspects of VAT such as: the supply of land and buildings; supplies within the EU; imports and exports etc.
- **Income tax:** Recognise the basic principles of income tax. Prepare income tax computations for individuals involving both basic principles and advanced aspects (e.g. foreign business income, foreign pensions, employment abroad).
- **Tax planning:** Tax planning for individuals and companies concerning amongst others the areas of: corporation tax, income tax, special defence contributions, social contributions and VAT. Propose solutions that will minimise tax liabilities.



	<ul style="list-style-type: none">• Mid-term test 20%• Final exam 60%
Language	English.