

**THE UNIVERSITY OF HONG KONG
HKU BUSINESS SCHOOL**

**ACCT3107 – Hong Kong Taxation
2021/22 Semester One**

Dear students,

Welcome to the course Hong Kong Taxation!

In this document you can find useful information about the course, including the course description and objectives, learning outcomes, assessment methods and criteria. Please read through this document carefully and observe the details. You should also pay attention to regular updates and announcements to be made by the instructors throughout your study of this course.

Lecture outlines (or notes) together with the tutorial questions as well as other information relating to the classes will be posted in the course's Moodle account opened in my name. Please make sure you log into and check the system regularly for any updated information and announcements, and to download the teaching and learning materials for your study. ***You are also suggested to study the relevant notes and attempt the tutorial questions before going to classes.***

Should you have any queries, please feel free to discuss with your tutor or myself. I wish you every success and happiness in the study, and also please take care and stay healthy during this unprecedented difficult pandemic period.

Best Wishes,

Christina
Christina Ng (Dr.)
Course Instructor
Hong Kong Taxation
August 2021

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**THE UNIVERSITY OF HONG KONG
HKU BUSINESS SCHOOL**

**ACCT3107 – Hong Kong Taxation
2021/22 Semester One
Course Syllabus**

I. Information on Instructor and Tutor

Instructor: Dr. Christina Ng
Email: christinang@hku.hk
Office: Room 1222, KK Leung Building
Phone: 3917 4213
Consultation times: To be advised

Tutor: Ms. Cassandra Ho
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Office: Room 609, KK Leung Building
Phone: 3917 5244
Consultation times: To be advised

Pre-requisite: ACCT1101 – Introduction to Financial Accounting

Textbook and References:

Macpherson and Olesnicky, *Hong Kong Taxation: Law and Practice*, Latest Edition, The Chinese University Press.

Lee, D., *Advanced Taxation in Hong Kong*, Latest Edition, Longman.

CCH, *Hong Kong Master Tax Guide*, Latest Edition, CCH Asia Pte Limited.

Inland Revenue Ordinance (Chapter 112) and *Inland Revenue Rules*, Hong Kong SAR Government.

Stamp Duty Ordinance (Chapter 117), Hong Kong SAR Government.

Ho, P., *Hong Kong Taxation and Tax Planning*, Latest edition, Pilot Publishing Co. Ltd.

Useful Websites:

The database of the Laws of Hong Kong: <http://www.legislation.gov.hk>

Inland Revenue Department: <http://www.info.gov.hk/ird/>

II. Course Description and Objectives

This course provides students with a fundamental understanding of the current law, principles and practices of Hong Kong taxation. The concepts introduced in the course are heavily used in practice. The course is helpful not only for personal tax compliance and planning but also for paving the way for students to enter their future profession and the business world.

Course objectives

- Provide students with the fundamental knowledge in Hong Kong Taxation which is essential for pursuing further study of advanced taxation courses
- Provide students with the taxation knowledge for their future career in professional accounting firms or companies in the business field
- Train up students' analytical ability and presentation skills and be able to identify the issues and apply their tax knowledge in real-life practical situations

III. Learning Outcomes

After completing this course, students should be able to:

- Describe the fundamental principles and concepts of Hong Kong Taxation
- Apply tax principles to determine the tax liabilities for individuals, partnerships and corporations in Hong Kong
- Effectively interpret tax statutes, apply tax rules and analyse practical tax problems
- Group discussions and presentations to formulate and give tax advice
- Evaluate legal arguments in tax cases and present one's own arguments with cases support in a reasoned manner by way of written reports and oral presentations
- Recognise the social responsibility of a tax professional
- Recognise the impact of the current Revenue Law changes and amendments in Hong Kong in the light of the changing international environment and the fast-growing cross-border activities

IV. Alignment of Faculty Goals and Course Learning Outcomes

| Faculty Goals | Course Learning Outcomes (CLO) |
|--|---|
| Acquisition and internalization of knowledge of the programme discipline | 1. Describe the fundamental principles and concepts of Hong Kong Taxation |
| Application and integration of knowledge | 2. Apply tax principles to determine the tax liabilities for individuals, partnerships and corporations in Hong Kong 3. Effectively interpret tax statutes, apply tax rules and analyse practical tax problems |
| Inculcating professionalism | 4. Recognise the social responsibility of a tax professional |
| Cultivating leadership Mastering communication skills | 5. Group discussions and presentations to formulate and give tax advice |
| Developing global outlook | 6. Recognise the impact of the current Revenue Law changes and amendments in Hong Kong in the light of the changing international environment and the fast-growing cross-border activities |
| Mastering communication skills | 7. Evaluate legal arguments in tax cases and present one's own arguments with cases support in a reasoned manner by way of written reports and oral presentations |

V. Teaching and Learning Activities

While the lecture hours are structured to secure students' understanding of relevant taxation law and principles, the tutorial sessions aim to further reinforce students' understanding and application of law and principles to practical situations. Students are expected:

- (1) to attend all lectures and tutorials
- (2) to read the lecture handouts and the assigned reading materials (or book chapters) before attending the lectures
- (3) to complete their assignments before the tutorials
- (4) to participate actively in class discussions

A high level of two ways communication is encouraged between instructors and the students during the classes.

VI. Assessment

| Learning outcome | Teaching and learning activity | Assessment |
|---|--|---|
| Describe the fundamental principles and concepts of Hong Kong Taxation | | |
| Apply tax principles to determine the tax liabilities for individuals, partnerships and corporations in Hong Kong | Lectures to provide the relevant knowledge and technique to apply tax principles and analyse tax problems | <u>Coursework</u> Term test 25% (CLO1, 2, 3, 6) |
| Effectively interpret tax statutes, apply tax rules and analyse practical tax problems | Group discussions in classes to analyse practical tax problems and give tax advice | Report and presentation of discussion questions 15% (CLO2, 3, 5, 7) |
| Group discussions and presentations to formulate and give tax advice | Discussion of tutorial questions to reinforce the learning process | Assignments, attendance, and participation in tutorials' discussions 10% (CLO1, 2, 3, 4, 5, 6) |
| Evaluate legal arguments in tax cases and present one's own arguments with cases support in a reasoned manner by way of written reports and oral presentations | Presentations on selected tutorial questions to train up students in making written and verbal presentations | 50% <u>Final Examination</u> 50% (CLO1, 2, 3, 6) |
| Recognise the social responsibility of a tax professional | | 100% |
| Recognise the impact of the current Revenue Law changes and amendments in Hong Kong in the light of the changing international environment and the fast-growing cross-border activities | | |

The following information is related to the assessment tasks of this course:

Date for the Test:

Saturday, 6 November 2021 (in the afternoon: closed book)

The test will account for 25% of the assessment. Please make sure you attend the test and there will not be any make-up test. Further details about the test to be announced in mid/late October 2021.

Tentative Topics: Unit One to Unit Six

Report and Presentation of Discussion Questions:

We do not expect you to give very long essays or reports on the presentation questions. Instead, what we look for is your ability in applying the tax knowledge and in making presentations before the audience in a professional manner. We want your presentations to be clear and the answers to be concise and precise.

A total of 15% is allocated to the report and the presentation. Marks will be awarded by the tutor based on:

- (1) the coverage, content and accuracy of the presentation report (5%)
- (2) the presentation tools used (5%)
- (3) the presentation style and skills (5%)

Further details about the logistics for the report and presentation will be made by your tutor in due course. Reports submission and presentations will commence after the Add-Drop Period.

Assignments' Submission, Attendance & Participation in Tutorial Classes' Discussions:

A maximum of 10% will be awarded based on assignments' submission (tutorial questions), tutorial classes' attendance and the extent of participation:

- (1) assignments submission (tutorial questions) (5%)
- (2) attendance and participation (5%)

Further details about the logistics for the assignments' submission will be made by your tutor in due course. The submissions will commence after the Add-Drop Period.

About the Final Examination:

Further details will be given in due course. To give you some rough ideas:

- Closed book
- Questions will include computations as well as essays writing

A table showing the general criteria and standards for "Assessment Grading" can be found in this document (pp.6-7), which provides a summary on how the coursework and the final examination of the course will be graded. You may also wish to refer to page 7 for some specific examples of the general criteria for assessing the presentation and participation.

If you have any queries to the course assessment and other matters about the course, please feel free to discuss with the instructor or the tutor as appropriate.

VII. Academic Conduct

Academic Dishonesty

The University Regulations on academic dishonesty will be strictly enforced. Please observe a student's academic responsibility, such as no cheating and plagiarism.

VIII. Standards for Assessment

Assessment grades will be awarded based on the performance of students. The table below provides a summary of the general expected performance from students. The assessment tasks are specifically designed to assess students' performance with respect to the course learning outcomes.

| <u>Assessment Tasks</u> | <u>Grade</u> | <u>Criteria and Standards</u> |
|-------------------------|--------------|--|
| Coursework | A range | <ul style="list-style-type: none"> • Achieve a standard of excellent performance in the test with very accurate computation and very good analytical and problem-solving skills • Present arguments that have an element of originality • Demonstrate a strong understanding of all relevant knowledge • Handling questions professionally • Very good written report • Very good powerpoint slides |
| | B range | <ul style="list-style-type: none"> • Achieve a standard of good performance in the test with accurate computation and good analytical and problem-solving skills • Present arguments that go beyond the lecture and textbook • Demonstrate a good understanding of all relevant knowledge • Handling questions in a logical way • Good written report • Good powerpoint slides |
| | C range | <ul style="list-style-type: none"> • Meet a standard of acceptable performance in the test with reasonable accuracy in computation and acceptable analytical and problem-solving skills • Organize the presentation in a well-structured manner • Display a basic understanding of the concepts involved • Fairly address the questions as set • Acceptable written report • Acceptable powerpoint slides |
| | D range | <ul style="list-style-type: none"> • Demonstrate a standard of marginally acceptable performance in the test with some errors in computation and barely adequate analytical and problem-solving skills • Organize the presentation in a marginally acceptable manner • Display a minimum understanding of the concepts involved • Barely address the questions as set • Marginally acceptable written report • Marginally acceptable powerpoint slides |
| | F | <ul style="list-style-type: none"> • Fail to meet a minimum standard of passing the test with major errors in computation and inadequate analytical and problem-solving skills • Poorly organize the presentation • Display a poor understanding of the concepts involved • Unable and unwilling to handle questions • Poor written report • Poor powerpoint slides |

| <u>Assessment Tasks</u> | <u>Grade</u> | <u>Criteria and Standards</u> |
|-------------------------|--------------|---|
| Final Examination | A range | <ul style="list-style-type: none"> Achieve a standard of excellent performance in the examination with very accurate computation and very good analytical and problem-solving skills, extended ideas such as element of own voice and opinion, originality, recommending and reflecting |
| | B range | <ul style="list-style-type: none"> Achieve a standard of good performance in the examination with accurate computation and good analytical and problem-solving skills, good relational understanding such as a wide range and diversity of materials beyond those provided in the course |
| | C range | <ul style="list-style-type: none"> Meet a standard of acceptable performance in the examination with reasonable accuracy in computation and acceptable analytical and problem-solving skills, with application of materials and without major errors of understanding |
| | D range | <ul style="list-style-type: none"> Demonstrate a standard of marginally acceptable performance in the examination with some errors in computation, barely adequate analytical and problem-solving skills and with some errors of understanding |
| | F | <ul style="list-style-type: none"> Fail to meet a minimum standard of passing the examination with major errors in computation, inadequate analytical and problem-solving skills and with major errors of understanding or omission of explanation |

The overall subject grade, after considering the performance of the assessment tasks and their respective weightings, will be awarded in accordance with the rules and regulations under the respective Programs.

Examples on the General Criteria for Assessing Presentation and Participation

General criteria for assessing presentation include:

- Able to identify the issue/problem area
- Able to illustrate a logical flow of analysis of the problem
- Able to suggest solution and explain with relevant law or principles
- Able to demonstrate professional presentation skill in areas such as use of visual aid materials, delivery of speech content, clarity in voice and time control
- Able to produce an adequate written report at professional standard

General criteria for assessing participation include:

- Students can gain marks in the participation component:
 - if initiative is taken to answer any questions raised, either by the instructor/tutor or other classmates
 - if initiative is taken to raise any questions or issues for discussion
 - if initiative is taken to lead a discussion
 - if initiative is taken to help fellow classmates in solving problems

Teaching Schedule – 2021/22 (Semester One) (Tentative)

| Teaching Week | Period | Lecture Time, Venue and Topics 1A: Mon 14:30-17:20 KKLG102 1B: Tue 13:30-16:20 KKLG102 1C: Thu 13:30-16:20 KKLG104 | Tutorial Topics/ Discussion Questions | Presentation Qs (additional one marked with *) |
|--|-----------------------|---|---|---|
| 1 | 1-7 Sept | 1A: 6 Sept Unit 1A 1B: 7 Sept Overview 1C: 2 Sept | - | - |
| 2 | 8-14 Sept | 1A: 13 Sept Unit 1B 1B: 14 Sept Tax Administration 1C: 9 Sept Unit 2 Property Tax | Tutorials start Unit 1A Wed 8 Sept Q1 | Forming groups |
| 3 | 15-21 Sept | 1A: 20 Sept Unit 3 1B: 21 Sept Salaries Tax (1) 1C: 16 Sept | Unit 1A Q2 Unit 1B Q3 | |
| 4 | 22-28 Sept | 1A: 27 Sept Unit 4 1B: 28 Sept Salaries Tax (2) 1C: 23 Sept | Unit 2 Q4 – 6 | Q5* |
| 5 | 29 Sept - 5 Oct | 1A: 4 Oct Unit 5 1B: 5 Oct Salaries Tax (3) 1C: 30 Sept | Unit 3 Q7 – 9 | Q9 |
| 6 ** | 6-9 Oct and 18-19 Oct | 1A: 18 Oct Unit 6A 1B: 19 Oct Salaries Tax (4) 1C: 7 Oct** Unit 6B Personal Assessment | Unit 4 Q10 – 11 | Q11 |
| 11 – 16 October Reading/Field Trip Week | | | | |
| 7 | 20-26 Oct | 1A: 25 Oct Unit 7 1B: 26 Oct Profits Tax (1) 1C: 21 Oct | Unit 5 Q12 – 14 | Q13, Q14 |
| 8 | 27 Oct - 2 Nov | 1A: 1 Nov Unit 8 1B: 2 Nov Profits Tax (2) 1C: 28 Oct | Unit 6 Q15 – 16 | Q15* |
| 9 # | 3-9 Nov | 1A: 8 Nov Unit 9 1B: 9 Nov Profits Tax (3) 1C: 4 Nov | Unit 7 Q17 – 18 | |
| | | 1A, 1B & 1C: Test # | ALL on 6 Nov # approx. 1.5 to 2 hours in the afternoon | |
| 10 | 10-16 Nov | 1A: 15 Nov Unit 10 1B: 16 Nov Profits Tax (4) 1C: 11 Nov | Unit 8 Q19 Unit 9 Q20 – 21 | Q19 Q20, Q21* |
| 11 | 17-23 Nov | 1A: 22 Nov Unit 11 1B: 23 Nov Depreciation Allowances 1C: 18 Nov Unit 12A Partnership | Unit 10 Q22 – 23 | Q22 |
| 12 | 24-30 Nov | 1A: 29 Nov Unit 12B 1B: 30 Nov Ethical Issues, etc. 1C: 25 Nov Unit 13 Stamp Duty Feedback | Unit 11 Q24 – 26 Unit 12/13 Q27 – 28 (self-check) | Q25* |

* Additional presentation questions for tutorial classes with more than 7 presentation groups

** Note that the lecture of Sub-class 1C (Unit 6A and 6B) will take place before the Reading Week.

Test on Saturday afternoon 6 Nov 2021 for ALL students. Time and venue: 1.5 to 2 hours within 13:00 – 17:30 (tentative venue: MWT1 or T2 – To be confirmed)

Due to the public health situation, there may be special arrangements for classes and assessments in this semester. Please check announcements from Moodle regularly for updated arrangements.