

Course Outline

Course Code	RSM 324 H1 F
Course Name	Canadian Income Taxation I
Term, Year	Fall, 2024
Course Meets	L0101 Tuesdays 9-11 (SS1084); L0201 Tuesdays 11-1 (SS1070) T0101 Thursdays 3-4 (MS3278); T0201 Thursdays 4-5 (MS3278)
Web page URL	https://q.utoronto.ca

Instructor Details

Name	Email	Office Hours
Jillian Adams, PhD, CPA	jillian.adams@rotman.utoronto.ca	Tuesdays 1:30-3:30 (RT546)

Course Description

This is the first of two courses in federal income taxation. This course emphasises the fundamentals of the Canadian tax system. Included are topics, such as, residence of corporations and individuals, effective tax rates for corporations and individuals, business income, integration, capital gains and losses, to name a few. A key objective of this course is to assist students in learning to read, interpret and apply provisions of the Income Tax Act to practical problems and cases. The two-course sequence (RSM324 & RSM424) has been designed to provide students with coverage of all the tax topics listed in the *CPA Competency Map*.

Learning Outcomes

By the end of this course, students will be able to:

- identify tax issues,
- determine the tax implications of the issues identified,
- analyse the alternatives, and
- prepare the appropriate communication.

Course Prerequisites

RSM220H1

Course Materials

Required Readings

- 1) **Canadian Income Taxation – Planning and Decision Making, 2024-2025** edition with **CONNECT PrePak** © 2024, by Buckwold/Kitunen/Roman/Iqbal, published by McGraw-Hill Education.
- 2) **Income Tax Act**. Students are NOT required to purchase a copy of the *Income Tax Act*. The Act will be referenced in the text and in the lectures. You can access a copy of the Act at <http://edu.knotia.ca.myaccess.library.utoronto.ca/Home.aspx> or at <https://laws-lois.justice.gc.ca/eng/acts/i-3.3/>

- 3) **Current Readings in Taxation**, provided by the instructor. Readings will be assigned during the term with the objective of highlighting current discussions on topics covered in this course. Sources may include Canadian Tax Focus, the Canadian Tax Journal & Conference Reports provided by the Canadian Tax Foundation, as well as articles found in newspapers, magazines, and online.

Electronic Course Materials

This course will be using the following electronic course materials:

- Income Tax Act, and
- **CONNECT**, which contains self-study questions and assignment questions, as well as solutions to review questions & key concept questions from the text.

There is no charge for the use of the electronic Income Tax Act. The printed text with Connect retails for \$179.95. The printed text alone retails for \$159.95. Connect with E-Book retails for \$99.00. The use of these materials complies with all University of Toronto policies which govern fees for course materials.

Publisher's website: <https://www.mheducation.ca/product/canadian-income-taxation-2024-2025-9781266002724-can-group>

Tax Related Web Sites

Canada Revenue Agency (CRA): www.canada.ca/en/revenue-agency.html

Canadian Tax Foundation (CTF): www.ctf.ca

Chartered Professional Accountants Canada (CPAC): www.cpacanada.ca

Department of Finance Canada: <https://www.canada.ca/en/department-finance.html>

Evaluation and Grades

Grades are a measure of the knowledge and skills developed by a student within individual courses. Each student will receive a grade on the basis of how well they have command of the course materials, skills and learning objectives of the course.

Work	Percentage of Grade	Due Date
Class Participation	5%	Ongoing
Connect Homework	10%	Ongoing
Connect Quizzes	15%	September 17 October 15 November 5 November 26
Mid-Term Test	30%	October 8
Final Term Test	40%	TBD

Course Format and Expectations

We expect our students to be highly motivated in learning the subject matter and to dedicate adequate time to the course each week. Students are to prepare for class and to contribute to discussions, both in class and online.

To prepare for classes and tutorials students should:

- Complete the assigned Readings, Questions, Problems and Cases.
- Be prepared to discuss the prepared solutions and readings.

It is recommended that students form study groups and work together to prepare for class and tutorials.

Class Participation

Students are expected to prepare thoroughly and make every effort to attend every class. As class participation is a graded component of the course, students will be evaluated on the following:

- Thoughtful responses
- Understanding and analysis of topic
- Idea generation
- Promoting further discussion
- Respectful active listening
- Attentiveness

While attendance is necessary for students to participate in class discussions, attendance on its own will not result in a high participation grade. Students must actively contribute and participate by exhibiting the components listed above.

Connect Homework

There are 10 homework assignments for a total of 10% of the final grade. These questions are similar to the end of textbook materials. **You are allowed a maximum of three attempts and only the highest attempt will count.** Your score will be shown after each attempt, and you can use your previous attempt as a starting point for your next attempt (as opposed to starting over). The full solution is available after your final attempt. Homework assignments are due by **11:59pm on Sundays**. Details regarding due dates will be posted to Quercus.

Connect Quizzes

There are four quizzes for a total of 15% of the final grade. These are online quizzes that are to be completed on CONNECT (as purchased with the textbook) by the scheduled due date. **You only get one attempt, so do not start the quiz until you are prepared to take it.** The submissions are graded within CONNECT and students will have access, through CONNECT, to their grades one hour after the deadline for each assignment. Please ensure that you have access to CONNECT.

Term Test and Final Assessment

The term test will examine material covered prior to the midterm. Material covered during the entire term is examinable on the final examination.

Missed Tests and Assignments

Students who miss a term test or assignment for reasons entirely beyond their control (e.g. illness) may request special consideration **within 2 business days** of the missed midterm/test/assignment due date. In such cases, students must:

1. Complete the Request for Special Consideration form: <https://uoft.me/RSMConsideration>
2. Provide documentation to support the request, eg. Absence Declaration from [ACORN](#), medical note etc.

Please note: As of September 2023, students may use the Absence Declaration on ACORN ***one time per term*** to report an absence and request consideration. **Any subsequent absence will require a [Verification of Illness form](#) or other similar relevant documentation.**

Students who do not submit their requests and documentation within 2 days may receive a grade of 0 (zero) on the missed course deliverable.

In the case of a missed mid-term test, a make-up test will not be provided. The weight of the mid-term test (30%) will be added to the weight of the final assessment such that the final assessment will form 70% of the overall course grade.

Final Exams: If you miss the final exam in this course for a legitimate reason (illness, etc) you will need to contact your College Registrar to file a petition for a deferred exam. This deferred exam will be written at a later date as established by the Faculty of Arts & Science. Instructions can be found here: <https://www.artsci.utoronto.ca/current/faculty-registrar/petitions-appeals/preparing-petition>

Statement on Equity, Diversity and Inclusion

The University of Toronto is committed to equity, human rights and respect for diversity. All members of the learning environment in this course should strive to create an atmosphere of mutual respect where all members of our community can express themselves, engage with each other, and respect one another's differences. U of T does not condone discrimination or harassment against any persons or communities.

Commitment to Accessibility

The University is committed to inclusivity and accessibility, and strives to provide support for, and facilitate the accommodation of, individuals with disabilities so that all may share the same level of access to opportunities and activities offered at the University.

If you require accommodations for a temporary or ongoing disability or health concern, or have any accessibility concerns about the course, the classroom or course materials, please [email Accessibility Services](#) or visit the [Accessibility Services website](#) for more information as soon as possible. Obtaining your accommodation letter may take up to several weeks, so get in touch with them as soon as possible. If you have general questions or concerns about the accessibility of this course, you are encouraged to reach out to your instructor, course coordinator, or Accessibility Services.

Generative AI / ChatGPT

The use of generative artificial intelligence tools or apps for assignments in this course, including tools like ChatGPT and other AI writing or coding assistants, is prohibited.

Academic Integrity

Academic Integrity is a fundamental value essential to the pursuit of learning and scholarship at the University of Toronto. Participating honestly, respectfully, responsibly, and fairly in this academic community ensures that the U of T degree that you earn will continue to be valued and respected as a true signifier of a student's individual work and academic achievement. As a result, the University treats cases of academic misconduct very seriously.

[The University of Toronto's Code of Behaviour on Academic Matters](#) outlines the behaviours that constitute academic misconduct, the process for addressing academic offences and the penalties that may be imposed. You are expected to be familiar with the contents of this document. Potential offences include, but are not limited to:

In papers and assignments

- Using someone else's ideas or words without appropriate acknowledgement.
- Submitting your own work in more than one course without the permission of the instructor.

- Making up sources or facts.
- Obtaining or providing unauthorized assistance on any assignment (this includes collaborating with others on assignments that are supposed to be completed individually).

On test and exams

- Using or possessing any unauthorized aid, including a cell phone.
- Looking at someone else's answers.
- Misrepresenting your identity.
- Submitting an altered test for re-grading.

Misrepresentation

- Falsifying institutional documents or grades.
- Falsifying or altering any documentation required by the University, including (but not limited to) medical notes.

All suspected cases of academic dishonesty will be investigated by the procedures outlined in the [Code of Behaviour on Academic Matters](#). If you have any questions about what is or is not permitted in the course, please do not hesitate to contact the course instructor. If you have any questions about appropriate research and citation methods, you are expected to seek out additional information from the instructor or other U of T or RC resources such as the RC Centre for Professional Skills, the College Writing Centres or the Academic Success Centre.

Email

At times, the course instructor may decide to communicate important course information by email. As such, all U of T students are required to have a valid UTmail+ email address. You are responsible for ensuring that your UTmail+ email address is set up and properly entered on ACORN. For more information visit the [Information Commons Help Desk](#).

Forwarding your utoronto.ca email to a Gmail or other type of email account is not advisable. In some cases, messages from utoronto.ca addresses sent to Gmail accounts are filtered as junk mail, which means that important messages from your course instructor may end up in your spam or junk mail folder.

Recording Lectures

Lectures and course materials prepared by the instructor are considered by the University to be an instructor's intellectual property covered by the Canadian Copyright Act. Students wishing to record a lecture or other course material in any way are required to ask the instructor's explicit permission and may not do so unless permission is granted. Students who have been previously granted permission to record lectures as an accommodation for a disability are excepted. This includes tape recording, filming, photographing PowerPoint slides, Quercus materials, etc.

If permission for recording is granted by the instructor (or via Accessibility Services), it is intended for the individual student's own study purposes and does not include permission to "publish" them in any way. It is forbidden for a student to publish an instructor's notes to a website or sell them in any other form without formal permission.

Weekly Schedule

Week	Date	Topic	Readings
1 & 2	September 3 & September 10	<p>Introduction</p> <p>Sources of Canadian Tax Law</p> <p>Determination of Income</p> <ul style="list-style-type: none"> • The Taxation Year • Types of Income • Net Income for Tax Purposes – The Aggregating Formula • Taxable Income <p>Income from Employment</p> <ul style="list-style-type: none"> • Scope and Structure of Employment Income • Cash Basis • Employee Benefits • Allowances • Deductions from Employment Income 	<p>Chapter 3 (Part I)</p> <p>Chapter 3 (Part III)</p> <p>Chapter 4</p>
3	September 17	<p>Income from Business</p> <ul style="list-style-type: none"> • Business Income Defined • General Rules for Determining Business Income • Exceptions to the General Rules • Business Income and the GST/HST 	Chapter 5
4	September 24	<p>The Acquisition, Use, and Disposal of Depreciable Property</p> <ul style="list-style-type: none"> • A Standardized System for Depreciable Property • Depreciable Property and Capital Cost Allowance (CCA) • Accounting Rules versus Tax Rules • Impact on Management Decisions 	Chapter 6
5	October 1	<p>Income from Property</p> <ul style="list-style-type: none"> • Income from Property Defined • General Rules for Determining Property Income • The Unique Features of Property Income • Impact on Investment Decisions 	Chapter 7
6	October 8	Mid-Term Test	

7 & 8	October 15 & October 22	<p>Gains and Losses on the Disposition of Capital Property – Capital Gains</p> <ul style="list-style-type: none"> • Capital Gain and Capital Loss Defined • Determining Capital Gains and Losses – General Rules • Unique Aspects of Capital Losses • Unique Aspects of Specific Capital Properties • The Aggregating Formula Revisited • Impact on Investment and Management Decisions 	Chapter 8
9	November 5	<p>Other Income, Other Deductions, and Special Rules for Completing Net Income for Tax Purposes</p> <ul style="list-style-type: none"> • Other Sources of Income • Other Deductions • Registered Retirement Savings Plans • Pooled Registered Pension Plans • Registered Education Savings Plans • Tax-Free Savings Accounts • Special Rules for Net Income Determination • Review of Net Income for Tax Purposes 	Chapter 9 (excluding “Gain on Settlement of Debt”)
10 & 11	November 12 & November 19	<p>Individuals: Determination of Taxable Income and Taxes Payable</p> <ul style="list-style-type: none"> • Determination of Taxable Income • Loss Carry-Overs • Loss Utilization – Impact on Decision Making • Calculation of Tax for Individuals • Special Adjustments to the Tax Calculation • Final Returns of Deceased Taxpayers 	Chapter 10
12	November 26	<p>Liability for Tax</p> <ul style="list-style-type: none"> • Resident Individuals and Corporations • Non-Resident Individuals and Corporations • Decision making and the Residence Issue <p>Administration of the Income Tax System</p> <ul style="list-style-type: none"> • Filing of Returns • Assessment • Objection and Appeal • Payment of Tax • Penalties and Offences 	Chapter 3 (Part II) Chapter 3 (Part IV)
	TBD	Final Term Test	

Please note that the last day you can drop this course without academic penalty is November 4, 2024.

Other Useful Links

- [Become a volunteer note taker](#)
- [Accessibility Services Note Taking Support](#)
- [Credit / No-Credit in RSM courses](#)
- [Rotman Commerce Academic Support](#)
- [Where to find teaching assistant opportunities](#)

URL links for print

- ACORN: <http://www.acorn.utoronto.ca/>
- Email Accessibility Services: accessibility.services@utoronto.ca
- Accessibility Services website: <http://studentlife.utoronto.ca/as>
- University's Plagiarism Detection Tool FAQ: <https://uoft.me/pdt-faq>
- The University of Toronto's Code of Behaviour on Academic Matters: <http://www.governingcouncil.utoronto.ca/policies/behaveac.htm>
- Information Commons Help Desk: <http://help.ic.utoronto.ca/category/3/utmail.html>
- Become a volunteer note taker: <https://studentlife.utoronto.ca/program/volunteer-note-taking/>
- Accessibility Services Note Taking Support: <https://studentlife.utoronto.ca/service/note-taking-support/>
- Credit / No-Credit in RSM courses: <https://rotmancommerce.utoronto.ca/current-students/degree-requirements/credit-no-credit-option/>
- Rotman Commerce Academic Support: <https://rotmancommerce.utoronto.ca/current-students/academic-support/>
- Book an appointment with a writing or presentation coach: <http://uoft.me/writingcentres>
- Writing and Presentation Coaching academic support page: <https://rotmancommerce.utoronto.ca/current-students/academic-support/writing-and-presentation-coaching/>
- Centre for Professional Skills Teamwork Resources page: <https://rotmancommerce.utoronto.ca/teamwork-resources>
- Book an appointment with a Teamwork Mentor: <http://uoft.me/writingcentres>