

Module 36: Taxation 2

Stage		3					
Semester		2					
Module Title		Taxation 2					
Module Number		36					
Module Status		Elective					
Module ECTS Credits		5					
Module NFQ level		8					
Pre-Requisite Module Titles		N/A					
Co-Requisite Module Titles		N/A					
Capstone Module?		No					
List of Module Teaching Personnel		Madeleine Ford, Angela O’Keefe, Martin Daly, Patrick Carrig					
Contact Hours				Non-contact Hours			Total Effort (hours)
58				42			100
Lecture	Practical	Tutorial	Seminar	Assignment	Placement	Independent Work	
48		10		12		30	100
Allocation of Marks (Within the Module)							
	Continuous Assessment	Project	Practical	Final Examination	Total		
Percentage Contribution	20			80	100		

Intended Module Learning Outcomes

On successful completion of this module, the learner will be able to:

1. Interpret and apply current Irish tax legislation in relation to corporation tax and capital gains tax
2. Identify and quantify the income subject to Corporation Tax, including chargeable gains and losses
3. Apply appropriate reliefs to calculate corporation tax liabilities for individual companies and groups of companies and detail the timing of payments required
4. Identify and evaluate various tax incentive schemes
5. Apply the general principles for the administration and computation of Capital Gains Tax for individuals and companies
6. Select and apply appropriate reliefs and exemptions to Capital Gains Tax computations.

Module Objectives

This module is designed to develop knowledge and understanding of the workings of the Irish tax system in relation to Corporation Tax and Capital Gains Tax for both individuals and companies. It develops the ability to apply knowledge and skills in providing taxation information to individuals and corporations on the impact of these taxes. Learners are provided with the opportunity to explore the impact of all major taxes on the transactions of individuals, partners and companies.

Module Curriculum

Scope of corporation tax

- Company Residence, permanent establishment
- Charge to corporation tax, classification of income, basis of assessment
- Tax adjusted profits calculation, pre-trading expenses
- Dividend withholding tax
- Rental income
- Franked investment income
- Charges on Income
- Relief for new companies
- Close companies – definitions and consequences, surcharge

Capital allowances

- Plant and machinery
- Industrial buildings allowances for new and second-hand buildings

Loss relief

- Treatment of relevant trading losses including relief on value basis
- Restrictions on loss relief
- Terminal losses
- Rental deficiencies and excess capital allowances

Groups

- Effect of group corporate structure for corporation tax purposes
- Types of group relief and order of set-off
- Calculation of corporation tax liabilities for a group of companies
- Transfer of assets within a group
- Trading Overseas via a Subsidiary or a Branch, Double Taxation Relief

Scope of Capital Gains Tax (CGT)

- Determination of residence and domicile
- Computation of CGT liabilities for individuals and companies, payment dates, withholding tax
- Chargeable assets, exempt assets, part disposals
- Enhancement expenditure
- Development land – gains, losses, indexation
- Shares – including bonus issues and rights issues
- Assets passing on death

- Losses

Capital gains tax reliefs

- Principal private residence relief
- Relief for the transfer of a business to a company
- Retirement relief
- Favourable holding company relief

Reading lists and other learning materials

CPA Formation 2 Taxation Manual, Griffith College Publications, Current Edition

Recommended Reading

O'Hanlon, F., McCleane, J. (2014) *Taxation of Capital Gains 26th edition*. Irish Taxation Institute

Brennan, F., Moore, P., O'Sullivan, H. (2014) *Corporation Tax 26th edition*, Irish Taxation Institute

Gaynor, C. (2014) *Irish Taxation – Law and Practice (2 Vol.s) 12th edition*. Irish Taxation Institute

Maguire, T. (2014) *Direct Tax Acts 17th edition*. Irish Taxation Institute

Martyn, J., Reck, P. (2014) *Taxation Summary 38th edition*. Irish Taxation Institute

Website: www.revenue.ie

Module Learning Environment

This module is delivered by means of formal and participative style lectures as well as small group tutorials. The college intranet (Moodle) is used to provide supporting material including videos of lecture content.

Module Teaching and Learning Strategy

This module is delivered through lectures and tutorials. Lectures are used to impart knowledge and understanding and also allow learners to carry out problem solving exercises allowing the learner to apply the techniques learned. These are used to give learners immediate feedback - in this way learning can be monitored in the classroom. Formative assessment is also provided on a regular basis to help identify learner's progress and areas that may need improvement.

Module Assessment Strategy

20% of the marks are allocated to coursework. Learners are required to provide taxation advice to a client and to reflect on taxation developments. Learners are advised how to undertake the assignments both in terms of research and the presentation format involved.

The remaining 80% is reserved for an end of semester examination upon module completion.

Module Learning Outcomes - Assessment Matrix

Learning Outcome	Assignment	Exam
1. Interpret and apply current Irish tax legislation in relation to corporation tax and capital gains tax	X	X
2. Identify and quantify the income subject to Corporation Tax, including chargeable gains and losses	X	X
3. Apply appropriate reliefs to calculate corporation tax liabilities for individual companies and groups of companies and detail the timing of payments required	X	X
4. Identify and evaluate various tax incentive schemes	X	X
5. Apply the general principles for the administration and computation of Capital Gains Tax for individuals and companies	X	X
6. Select and apply appropriate reliefs and exemptions to Capital Gains Tax computations.	X	X