

M.A. in Taxation (Law, Administration and Practice)

Courses

Introduction to the UK tax system (Course coordinators: Philip Baker, Keith Gordon)

This course introduces students to the UK tax system. It is a particularly essential course for students who have not previously studied the UK tax system and who intend to take other courses on UK taxation. It will also serve as a refresher course for those who have previously studied the UK system, and an opportunity to look in depth at some general issues. The course covers:

- The sources of UK tax law; the impact of the European Community on the tax system
- Interpretation of tax legislation
- Approaches to tax avoidance
- Income tax – the basic structure, principles and policies
- Corporation tax – the basic structure, principles and policies
- Capital gains tax – the basic structure, principles and policies
- Inheritance tax – the basic structure, principles and policies
- VAT – the basic structure, principles and policies
- Other taxes and duties: national insurance contributions; stamp duties etc
- The future direction of the UK tax system

UK taxation of trading income (Course coordinator: Mark Bowler-Smith)

Trading activities are arguably the most productive aspects of what businesses do and the income from those trading activities are vitally important to the economy as a whole. Given that taxation is a key factor in *all* business decisions, taxing trading income is, therefore, about striking a balance between what seems fair and damaging productivity. The course will begin by looking at both the theory and policy that informs the decision to tax trading income. The emphasis will then shift to an analysis of the very detailed rules and principles that affect the self-employed, partnerships and corporations alike. The course will finish by looking at a range of possible alternatives to the current rules, with a special focus on the ideas coming out of Brussels. Specifically, then, the course covers:

- Tax theory and policy
- The distinction between income and capital in tax law
- The scope of trade, profession and vocation
- Assessment
- The relationship between tax accounting and financial accounting
- What sums constitute the tax base – receipts
- The special position of trading stock and work-in-progress
- What sums can be excluded from the tax base - deductions
- An overview of losses, capital allowances and R&D
- What the future holds

UK corporate taxation (Course coordinators: Peter Harris; Mark Bowler-Smith)

The focus of this part of the course is on building a structural understanding of how corporate income tax systems operate. The approach is to explore the options for implementing a corporate income tax system, including the taxation of shareholders. The seminars seek to develop an understanding of the policies underlying each option considered and how different options produce different results in a practical setting. To demonstrate this practical application the UK tax law is used as an example and applied to a number of simple problems. While the UK tax law is used as the primary example, participants will be encouraged to draw on their own experience for other examples. Participants who successfully complete this part of the course should have an understanding of the options for taxing corporate income, the policies underlying those options and the application of those options and policies, with an emphasis on the UK perspective.

The topics to be covered focus on income tax issues that arise out of the artificial nature of the corporation and the corporation/shareholder relationship. The course does not deal with generic issues in income tax applicable to both individuals and corporations alike. In particular, it does not deal with the calculation of trading (or business) income (see the course on that topic).

UK taxation of corporate finance (Course coordinator: Mark Bowler-Smith)

The course examines and analyses the theory and practice of the taxation of corporate finance and financial institutions. 'Corporate finance' is a portmanteau subject, covering major activities carried on by banks and companies of all descriptions, in order to raise capital, return value to shareholders, and acquire, reorganise and dispose of businesses. The common thread in all these activities is taxation.

The focus is on the UK taxation rules, but reference will be made where appropriate to policy alternatives and practice in other countries.

The taxation of corporate finance provides a specialist subject in its own right, affords insight into the role of taxation in corporate decision-making and both deepens and widens general knowledge of taxation and commercial law.

The course focuses on the taxation of shares, debt, foreign exchange and derivatives. Corporate actions, accounting aspects and the taxation of particular types of company, such as banks, are considered.

International taxation 1 – basic principles (Course coordinators: Philip Baker, Tom O'Shea)

This course introduces students to the general principles of international taxation. It is a foundation course for subsequent courses such as International Taxation 2. The topics covered include:

- Comparative Tax Policy
- International fiscal law and policy
- History of international tax law
- Taxation and public international law
- International fiscal policy and income/profits taxation
- Introduction to double taxation conventions

- International fiscal policy and indirect taxation
- International co-operation between tax administrations

International taxation 2 – double taxation conventions (Course coordinator: Philip Baker)

The course focuses on the operation of double taxation conventions (more colloquially referred to as “tax treaties” and often abbreviated as “DTCs”). The emphasis is on the interpretation and application of DTCs, though students will also learn something about the negotiation of DTCs.

The course includes the following topics:

- Introduction to the structure and operation of the principal model DTCs – the OECD MTC and the UN MTC
- General provisions and definitions – especially the definitions of “resident” and “permanent establishment”
- Business profits – Arts. 7 and 9 OECD MTC
- Passive income – Arts. 10, 11, and 12 OECD MTC
- Individuals – Arts. 15, 16, 17 and 18 OECD MTC
- Methods of relief from double taxation – Art. 23 OECD MTC
- Non-discrimination – Art. 24 OECD MTC
- Settlement of international fiscal disputes – mutual agreement procedure – Art. 25 OECD MTC
- The future role of DTCs

Introduction to European Community tax law (Course coordinator: Tom O’Shea)

The objective of this course is to introduce students to the EC rules relating to all forms of taxation. Emphasis is on the background to these rules in the Treaties and in the institutions of the Community, as well as on the measures taken so far to harmonise the tax systems of the Member States. The course also considers future directions for EC taxation, including draft directives and other proposals and provides a comprehensive analysis of the jurisprudence of the ECJ.

- The Institutional and Constitutional background
- The Harmonisation of Indirect Taxes and Other Duties (other than VAT)
- The Harmonisation of Direct Taxes
- State Aid and taxation
- The EC and International Tax Law
- The Role of the ECJ in Taxation Matters
- The Future Directions of EC Tax Law

European Community direct taxation 1 (Course coordinator: Tom O’Shea)

This course focuses on the jurisprudence of the ECJ relating to tax matters and involves an in-depth examination of the Court’s jurisprudence in the area of direct and indirect tax matters. This course also examines recent developments in EC tax policy and endeavours to provide a snapshot of the regulatory framework for tax in the EU.

- The Early Jurisprudence of the Court
- Host and Origin cases

- Free Movement of Persons and EU Citizenship
- Freedom to provide and receive Services
- Freedom of Establishment for companies and individuals
- Free Movement of Capital and Third Country jurisprudence
- Article 90 Cases
- Key VAT Cases
- Key State aid cases
- Important themes in the Court's jurisprudence ("Exit taxes, Cross-border Losses, MFN, Tax Treaties, Third Countries, Dividends, etc.)

Courses that are likely to be offered every other year:

Comparative corporate taxation (Course coordinator: Peter Harris)

The primary goal of Comparative Corporate Taxation is to develop in participants a comparative approach to assessing corporate income tax issues. This development is pursued by exploring in a structural setting the options for implementing a corporate income tax system. Within the structure offered, options are illustrated by identifying and comparing the workings of the corporate income tax systems of a number of countries and the manner in which those systems address similar tax issues. The workings of those corporate income tax systems are explored in the context of 11 simple problems. The course will focus on the corporate income tax systems of Australia, Germany, the United Kingdom and the United States. These countries are selected for their economic significance and because their corporate income tax systems display substantial variance in structure. However, participants are encouraged to consider the corporate income tax systems of other countries, particularly if they have some expertise or familiarity in this regard.

This goal has both practical and policy aspects. The course provides a basic introduction to the corporate income tax systems of some of the major trading nations, which should assist participants in assessing the likely outcomes of proposed corporate dealings both within the countries selected for comparison and between them. A comparative framework provides an opportunity for identifying the available options for taxing corporate income and assessing the appropriateness of those options or a combination thereof. This enables an assessment of the options selected by various countries, including the incompatibility of options, and may identify areas of corporate taxation that may be the subject of appropriate reform.

International taxation 3 – international tax avoidance and measures to combat it (Course coordinator: Philip Baker)

The course focuses on international tax avoidance, and measures to combat international tax avoidance. The focus is on general principles: this is not a course in how to avoid tax through international transactions! The course covers the following:

- Introduction to international tax avoidance; the significance of the "the revenue rule"; profit extraction; profit diversion; deferral of tax
- Tax havens and their uses
- Different types of offshore entity – use of trusts; use of partnerships; use of corporate entities
- Combating avoidance: exchange of information and other forms of administrative cooperation between revenue authorities
- Combating avoidance: controlled foreign corporation rules
- Transfer pricing and tax avoidance
- Business restructuring

The protection of taxpayers (Course coordinator: Philip Baker)

This course focuses on the protection of taxpayers when dealing with revenue authorities, particularly protection under international conventions. The topic is considered partly from the point of view of the constraints which the rules for taxpayer protection place on the design of a tax system, and partly from the perspective of the taxpayer who is affected by the operation of the tax system. Introduction to the subject to taxpayer protection: significance of this subject for tax system design. The course covers the following topics:

- Protection under constitutional laws
- Protection under double taxation conventions
- Protection under the European Convention on Human Rights and other regional human rights instruments
- Protection under the International Covenant on Civil and Political Rights and other general human rights treaties
- The use of Taxpayers' Charters and Taxpayers' Bills of Rights
- Standard setting for revenue authorities