Tax Planning & Policy

5 Credits, Semester 1

Course Description:

This foundation course seeks to acquaint participants with a basic working knowledge of the most common income tax and GST tax issues faced by companies and individuals. As the primary focus of the course is the applicable tax laws that apply to transactions, participants are not expected to make tax computations. The course will be conducted in a practice-oriented approach. To enhance the learning outcomes, a hypothetical company undergoing the typical stages of setting up, raising of capital, recruitment of employees, executing the business plan will be used to illustrate the context in which tax issues arises.

As the tax treatment of each receipt and expense will be considered at each stage, the discourse would entertain the extent to which tax avoidance is acceptable when a taxpayer chooses a commercial option that maximizes deductions, capital allowances and losses with a view to reduce the tax burden. In particular, the course will address the methods of achieving taxation-efficient remuneration packages, reduced tax burdens in raising capital via debt or equity and the use of other common methods of reducing the incidence of tax on returns from investments. Tax planning opportunities arising from the differences in tax treatment of sole proprietors, partnerships and companies will also be highlighted. On policy issues, concepts including economics of taxation, international trends and tax reform will be covered.

Course Convenor: A/P Phua Lye Huat, Stephen

Co-teacher(s): NA

Module Codes: LL4056BV / LL5056BV / LL6056BV

Contact Hours: 3-hr weekly TOPIC

Mode of Assessment: Class/IVLE Participation/MCQ - 30%. Research Paper (5000 words) - 70% [Due: Sat, 5 November 2016 (1200 hours)]

Preclusions: Nil

Prerequisites: (a) NUS Compulsory Core Law Curriculum or equivalent. (b) Company Law (LC2008) or its equivalent in a developed common law jurisdiction

At the end of the course participants should be able to:

1. Demonstrate a working knowledge of tax implications in commercial decisions;
2. Assess the tax risks of making commercial decisions that offer the best tax outcomes;

3. Apply the tax rules to typical and new commercial transactions;

4. Advise clients on the tax issues of investing in Singapore.

The major topics are:

**TOPIC ONE:** Introduction to basic concepts in Income Tax

**TOPIC TWO:** An introduction to the concepts of GST

**TOPIC THREE:** Scheme of Income Taxation in Singapore

**TOPIC FOUR:** Tax Issues in Choice of Jurisdiction - Singapore

**TOPIC FIVE:** Tax Issues in Choice of Vehicle

**TOPIC SIX:** Tax Implications of Raising Capital – Equity or Debt?

**TOPIC SEVEN:** Tax Planning in Remuneration

**TOPIC EIGHT:** Tax Issues in undertaking a Trade or Business

**TOPIC NINE:** How to maximise deductions against taxable receipts?

**TOPIC TEN:** Tax Planning – Limits of Tax Avoidance

**TOPIC NINE:** Taxpayer Rights and Powers of the Tax Administration