

ACC307 Taxation of Companies and Partnerships

Level: 3

Credit Units: 5 Credit Units

Language: ENGLISH

Presentation Pattern: EVERY JAN

Synopsis:

ACC307 covers taxation of companies which include taxability of income, income tax exemption, types of deductions and tax allowances available to reduce the chargeable income of a company. In addition, students will be taught how and when a company is able to utilise the unabsorbed allowances, losses and donations under the various mechanisms. Finally, this course also covers the elementary taxations of partnership which includes general partnership, limited liability partnership and limited partnership.

During the course, students will be examined on their understanding and application of tax concepts and be prompted to familiarise themselves with various sections of the Income Tax Act. In this connection, it is important for students to acquire this practical skill in order to obtain a better understanding of the underlying legislation governing tax treatments which would assist the students in the related applications of such tax laws in the commercial settings.

Topics:

- Charging Section of Income Tax
- Income Tax Exemption
- General Deduction and Prohibited Deduction
- Special Deduction and Double Deduction
- Productivity and Innovation Credit Scheme (PIC)
- Introduction to Capital Allowance
- Disposal of Fixed Assets and Capital Allowance for Hire Purchase
- Industrial Building Allowance and Land Intensification Allowance (LIA)
- Carry Forward / Back of Unabsorbed Items
- Group Relief
- Introduction to Partnership
- Limited Liability Partnership (LLP) and Limited Partnership (LP)

Textbooks:

Sum Yee Loong: Singapore Tax Workbook 2020/2021 (23rd Edition) 23 Wolters Kluwer
ISBN-13: 9789814838030

Learning Outcome:

- Apply the key concepts of the charging section of income tax
- Appraise the type of income and how it is taxed
- Analyse and apply the income tax exemption where applicable
- Examine revenue and capital expenses from the taxation perspective as compared to accounting perspective and determine their deductibility
- Differentiate between special and double deduction and apply such deductions where applicable
- Distinguish between qualifying and non-qualifying assets and calculate capital allowance by applying different years of claim
- Calculate capital allowances for intellectual property rights
- Calculate balancing adjustment and capital allowance for hire purchase
- Illustrate the features of Land Intensification Allowance and apply conditions for the claim of LIA
- Differentiate between the types of investment companies and their income tax treatments
- Compute the service income and appraise the tax consequences for a service company
- Determine the relevant dates for shareholding test and analyse the shareholding composition for future utilisation of unabsorbed items
- Evaluate the conditions for Group Relief and the situations in which it can be transferred
- Discuss the differences in tax treatments of partnerships from those of companies
- Compare Limited Liability Partnership with Limited Partnership
- Formulate taxation for companies, being familiar with various sources of income, deductions, capital allowances and tax reliefs
- Compute the allocations of profits in a partnership and the tax liability of the partners
- Develop the essential knowledge and interpersonal skills to work effectively in a team
- Demonstrate proficiency in written and verbal communication skills

Assessment Strategies (Daytime Class):

Components	Description	Weightage Allocation (%)
Overall Continuous Assessment	PRE-COURSE QUIZ 1	2
	PRE-CLASS QUIZ 1	2
	PRE-CLASS QUIZ 2	2
	GROUP BASED ASSIGNMENT 1	15
	CLASS TEST 1	14
	PARTICIPATION 1	15
Overall Examinable Components	Written Exam	50
Total		100