

Assessment Task – Tutorial Questions

Unit Code: HI6028

Unit Name: Taxation Theory, Practice & Law

Assignment: Tutorial Questions

Due: 11:59pm (AEST), Thursday, October 15, 2020

Weighting: 50%

Total Assignment Marks: 50 Marks

Purpose: This assignment is designed to assess your level of knowledge of the key topics covered in this unit

Unit Learning Outcomes Assessed:

1. Demonstrate an understanding of the Australian income tax system, the concepts of income and deductions, taxation of company, GST, general anti-avoidance provisions and income tax administration, partnership
2. Identify and critically analyse taxation issues;
3. Interpret the relevant taxation legislations and case law;
4. Apply taxation principles to real life problems.

Description: Each week students were provided with three tutorial questions of varying degrees of difficulty. The tutorial questions are available in the Tutorial Folder, for each week, on Blackboard. The Interactive Tutorials are designed to assist students with the process, skills and knowledge to answer the provided tutorial questions. Your task is to answer a selection of tutorial question for weeks 1 to 12 inclusive and submit these answers in a single document.

Submission Directions:

The assignment will be submitted via Blackboard. Each student will be permitted only **ONE** submission to Blackboard. **You need to ensure that the document submitted is the correct one.**

The questions to be answered are;

Question 1 - Week 2 (7 marks)

Pablo is a Portuguese resident employed by a Portuguese company. He is sent to Australia to work on a short-term project to assist with the establishment of a branch office of the company in Australia. Pablo works in Australia for one month. Throughout this period, his salary was paid into his Portuguese bank account. During the year, he earned the equivalent of A\$120,000 from his employment. Does Pablo have to pay Australian tax on any of his salary?

Question 2 - Week 3 (7 marks)

Explain the respective outcomes reached by the courts in the following case involving sales of land: Californian Copper Syndicate Ltd v Harris

Question 3 - Week 9 (7 marks)

Surfs Up P/L is a national retailer that sells a range of surfing and water sports equipment (surfboards, clothing, etc.) with an annual turnover of \$60 million. Surfs Up purchases "Billapro" surfboards for \$440 each from Billapong P/L, a large manufacturer of surfboards located at Gold Coast with an annual turnover of around \$45 million, this was their only sale for the month. Surfs Up plans to sell the Surfboards at a 200% mark-up to its customers. In October last year it purchased 370 surfboards but a couple of months later (December) they discovered that 14 of the surfboards were faulty and subsequently returned these faulty surfboards to the manufacturer, obtaining a full refund. Assume both apply the accrual method of accounting.

Requirement:

Explain the GST consequences of this arrangement for both companies.

Question 4 - Week 10 (11 marks)

Melbourne Awesome Ltd supplies a wide range of folding bicycles. Melbourne Awesome Ltd derives Australian sourced income for the current tax year comprising net income from trading of \$80,000, franked distribution from public companies amounting to \$28,000, (carrying an imputation credit of \$12,000), unfranked distributions from resident private companies amounting to \$25,000 and rental income of \$5,500. Melbourne Awesome Ltd also have total deductions (Business Expenses) totaling \$55,000.

Required:

Calculate the net tax payable by Melbourne Awesome Ltd for the year ended 30 June 2019. (Assume company tax rate is 30%)

Question 5 - Week 11 (7 marks)

Discuss the ATO's 'Test Case Litigation Program'

Question 6 - Week 12 (11 marks)

TBA

Academic Integrity

Holmes Institute is committed to ensuring and upholding Academic Integrity, as Academic Integrity is integral to maintaining academic quality and the reputation of Holmes' graduates. Accordingly, all assessment tasks need to comply with academic integrity guidelines. Table 1 identifies the six categories of Academic Integrity breaches. If you have any questions about Academic Integrity issues related to your assessment tasks, please consult your lecturer or tutor for relevant referencing guidelines and support resources. Many of these resources can also be found through the Study Skills link on Blackboard.

Academic Integrity breaches are a serious offence punishable by penalties that may range from deduction of marks, failure of the assessment task or unit involved, suspension of course enrolment, or cancellation of course enrolment.

Table 1: Six categories of Academic Integrity breaches

Plagiarism	Reproducing the work of someone else without attribution. When a student submits their own work on multiple occasions this is known as self-plagiarism .
Collusion	Working with one or more other individuals to complete an assignment, in a way that is not authorised.
Copying	Reproducing and submitting the work of another student, with or without their knowledge. If a student fails to take reasonable precautions to prevent their own original work from being copied, this may also be considered an offence.
Impersonation	Falsely presenting oneself, or engaging someone else to present as oneself, in an in-person examination.
Contract cheating	Contracting a third party to complete an assessment task, generally in exchange for money or other manner of payment.
Data fabrication and falsification	Manipulating or inventing data with the intent of supporting false conclusions, including manipulating images.

Source: INQAAHE, 2020

If any words or ideas used the assignment submission do not represent your original words or ideas, you must cite all relevant sources and make clear the extent to which such sources were used.

In addition, written assignments that are similar or identical to those of another student is also a violation of the Holmes Institute's Academic Conduct and Integrity policy. The consequence for a violation of this policy



can incur a range of penalties varying from a 50% penalty through suspension of enrolment. The penalty would be dependent on the extent of academic misconduct and your history of academic misconduct issues. All assessments will be automatically submitted to SelfAssign to assess their originality.

Further Information:

For further information and additional learning resources please refer to your Discussion Board for the unit.