

<b>Identification</b>	<b>Subject (code, title, credits)</b>	<b>ACC 490: Taxation - 3KU (6ECTS)</b>
	<b>Department</b>	Economics and Management
	<b>Program type</b>	Bachelor
	<b>Term</b>	Fall, 2023
	<b>Instructor</b>	Jeyhun G.Mammadov
	<b>E-mail:</b>	jeyhun.mammadov@khazar.org
	<b>Classroom/hours</b>	18:30 -21:00
	<b>Office hours</b>	41 Mehseti street (Neftchilar campus), Khazar university, by appointment
<b>Prerequisites</b>	<b>ACC 310 Financial Accounting</b>	
<b>Language</b>	English	
<b>Compulsory/Elective</b>	Compulsory	
<b>Required textbooks and course materials</b>	<p><b><i>Core study materials:</i></b></p> <ol style="list-style-type: none"> <li>1. Tax Code of the Azerbaijan Republic</li> <li>2. Alan Melville, “<b>Taxation: Finance Act 2020</b>”, 26th edition, Pearson Education Limited, 2021.</li> <li>3. ACCA Taxation (TX-UK), FA2020</li> <li>4. Dieter Endres, Christoph Spengel, “<b>International Company Taxation and Tax Planning</b>”, Wolters Kluwer Law &amp; Business, 2015</li> <li>5. PSA Tax Protocol on Corporate profit taxes</li> <li>6. Double Tax Treaties between AR and other countries</li> </ol> <p><b><i>Supplementary materials and textbooks:</i></b></p> <ol style="list-style-type: none"> <li>7. OECD (2017 edition), Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations, OECD Publishing, Paris. <a href="https://doi.org/10.1787/tpg-2017-en">https://doi.org/10.1787/tpg-2017-en</a></li> <li>8. OECD (2017), International VAT/GST Guidelines, OECD Publishing, Paris. <a href="http://dx.doi.org/10.1787/9789264271401-en">http://dx.doi.org/10.1787/9789264271401-en</a></li> <li>9. C.Spengel, A.Oestreicher, “<b>Common Corporate Tax Base in the EU</b>”, Mannheim and Göttingen, 2011</li> <li>10. OECD (2019), Model Tax Convention on Income and on Capital 2017, OECD Publishing, Paris. <a href="https://doi.org/10.1787/g2g972ee-en">https://doi.org/10.1787/g2g972ee-en</a></li> </ol>	
<b>Course outline</b>	This course establishes a bridge to close the gap between traditional business administration courses, which pay a little attention to the role of taxation, and taxation courses, which normally ignore the broad business operating context. The course provides with a framework to understand the general taxation principles, possible tax planning opportunities and international principles of tax strategy.	
<b>Course objectives</b>	<p>The course introduces students to the subject of taxation, tax practices, procedures; provides the core knowledge of the underlying principles of different taxes; introduces major technical and legal areas of taxation as they affect the activities of both individuals and businesses locally and globally. The introduction section of the syllabus discusses the rationale behind the tax system, and the functions of taxation. The syllabus then considers the separate taxes that managers would need to have a knowledge of to make a business decision, such as income tax from employment and non-employment income, the corporation tax liability of companies, the national insurance contribution liabilities of both employers and employees, the value added tax liability of businesses, and other tax liabilities, such as mineral extraction tax, road tax, land tax and property taxes for both individuals and companies.</p> <p>Having covered the core areas of theoretical knowledge on taxes, students should be able to determine the tax base for the computation of specific taxes; compute the tax</p>	

	liabilities; explain the basis of their calculations and applied exemptions or credits; apply tax calculation techniques for determination of individual and company liabilities of taxes through a different business and personal scenarios and situations.  <i>Generic Objectives of the Course:</i> <ul style="list-style-type: none"> <li>The goal of this course is to provide students with both a basic theoretical knowledge and working knowledge of taxes and taxation procedure. The course focuses on the various taxes applied in our country, taxation principles applied in the legislation, and international taxation issues. By the end of the course, students should be able to identify and analyze the various taxes and taxation issues that can be involved in business decision making.</li> </ul> <i>Specific Objectives of the Course:</i> <ul style="list-style-type: none"> <li>The course is designed to introduce base taxation principles of individuals and businesses to the students. It will deepen students' knowledge of taxation system comparing the local tax system with the international taxation principles. We will discuss different tax regimes and all applicable taxes in Azerbaijan that would furnish the students to make business decisions.</li> <li>To furnish the students with the critical way of thinking about taxes.</li> </ul>		
<b>Learning outcomes</b>	A goal of the course is to provide students with an approach of thinking about taxes very broadly considering theoretical aspects too. By the end of the course the students should be able:  <i>Generic Outcomes:</i> <ul style="list-style-type: none"> <li>To understand the general taxation principles of individuals and businesses.</li> <li>Understand impact of taxes on business decision making.</li> <li>To understand core elements of domestic taxation system.</li> <li>Understand international taxation principles and recent developments in combatting tax evasion.</li> </ul> <i>Specific outcomes:</i> <ul style="list-style-type: none"> <li>To be able to determine and solve various tax problems based on a well-grounded reasoning.</li> <li>Ability to think critically about current tax reform proposals.</li> <li>To be able to develop analytical skills by solving problems.</li> <li>To conduct a research on specific taxes in a given jurisdiction.</li> </ul>		
<b>Teaching methods</b>	<b>Lecture</b>		✓
	<b>Group discussion</b>		✓
	<b>Case analysis</b>		✓
<b>Evaluation</b>	<b>Methods</b>	<b>Date/deadlines</b>	<b>Percentage (%)</b>
	<b>Midterm Exam</b>	Week 9	30
	<b>Class Activity</b>		5
	<b>Attendance</b>		5
	<b>Quiz</b>	Week 6,13	10
	<b>Group Practice</b>		10
	<b>Final Exam</b>	Week 16	40
	<b>Total</b>		100
<b>Policy</b>	<b>Attendance:</b> Students are required to attend all classes to be able to follow all lectures. Students exceeding the 25% absence limit will not be allowed to participate at final exam. <b>Participation</b> in class discussions will play a vital role in assessment of students' activity rates. <b>Activity:</b> Assessment will be based on how active students are in the class discussions by answering the instructor's questions, and initiating to ask subject related questions, and providing their views and insights on respective matters		

		Two (2) <b>quizzes</b> will be held to evaluate factual standing points of students in terms of the covered topics. A main purpose of carrying out quizzes is to enforce students’ focuses on covered lectures and provide students experience in solving several types of theoretical and numerical questions. Quizzes will contain questions mainly in open format to evaluate students’ theoretical knowledge and critical thinking. A <b>group practice</b> will be held to determine students’ ability to understand basic taxation elements and rules, such as a tax base, applicable rates, provided exemptions, tax calculation mechanism, etc. in different jurisdictions. A group assignment paper is expected to be based on on-desk research.	
Tentative Schedule			
Week	Date/Day (tentative)	Topics	Reading notes
1	Week 1	Introduction / General Principles of Taxation and Comparison of it with the Taxation System in Azerbaijan	ICT&TP - Chapter 1 Taxation of Income, Wealth and Consumption; TFA2020 – Chapter 1. Introduction to the UK tax system; TCoAR – Chapter I. General Provisions
2			Week 2
3	Week 3	Taxation of individuals in Azerbaijan – PIT and Social Insurance Contributions	TCoAR - Chapters 8 and 10; Law on Social Security
4	Week 4	Corporate Income Tax principles	ICT&TP – Chapter 3. Taxation Of Business Profits; TFA2020 – Part3. Corporation Tax, Chapters 23, 24
5	Week 5	Corporate Income Tax in Azerbaijan	TCoAR – Chapters 9, 10, 17
6	Week 6	Corporate Income Tax reporting and compliance requirements Practice session / <b>Quiz</b>	TCoAR – Chapter 10 (Articles 149-152), Chapter 17 (Article 221)
7	Week 7	Value Added Tax and Excise Tax (part 1)	ICT&TP – Chapter 6. Value-added tax ; International VAT/GST Guidelines – Chapter 1., Chapter 2 (para A., B., C.)
8	Week 8	Value Added Tax and Excise Tax (part 2)	TFA2020 – Chapters 29, 30; TXoAR – Chapters XI,

			XII
9	Week 9	<b>Mid-term Exam</b>	
10	Week 10	Property Tax principles	TCoAR – Chapters XIII
11	Week 11	Land Tax principles.	TCoAR – Chapter XIV
12	Week 12	Mining Tax and Road Tax	TCoAR – Chapters XV, XVI
13	Week 13	Production sharing agreements and their taxation regimes / Group work/ <b>Quiz</b>	PSA Protocol on profit tax;
14	Week 14	Transfer Pricing concept and methods	OECD TP Guide – Chapter I (pp. 33-38), Chapter II (pp.97-118, 133-135) TFA2020 – Chapter 32 ; TCoAR – Articles 13, 14, 14-1, 16 ;
15	Week 15	Tax accounting, Deffered Tax principle. Review session	TFA2020 – Chapter 25; TCoAR – Articles 130-136
16	Week 16	<b>Final Exam</b>	