

Identification	Subject (code, title, credits)	ACC 490 Taxation - 3KU credits (6ECTS)
	Department	Economics and Management
	Program type	Undergraduate
	Term	Fall, 2024
	Instructor	Jeyhun Mammadov
	E-mail:	jeyhun.mammadov@khazar.org
	Classroom/hours	18:30 -21:00
	Office hours	By appointment
Prerequisites	ACC 310 Principles of Accounting	
Language	English	
Compulsory/Elective	Compulsory	
Required textbooks and course materials	<p><i>Core study materials:</i></p> <ol style="list-style-type: none"> 1. Azərbaycan Respublikasının Vergi Məcəlləsi (2023) (The Tax Code of the Republic of Azerbaijan) https://www.taxes.gov.az/az/page/ar-vergi-mecellesi 2. Alan Melville (2021), “Taxation: Finance Act 2020”, 26th edition, Pearson Education Limited (“TFA2020”) 3. Emile Woolf International (2020) ACCA Taxation (TX-UK), (“ACCATaxation”) 4. Dieter Endres, Christoph Spengel, (2015) “International Company Taxation and Tax Planning”, Wolters Kluwer Law & Business (“ICT&TP”) 5. OECD (2017 edition), Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations, OECD Publishing, Paris. https://doi.org/10.1787/tpg-2017-en (“OECD TP Guide”) 6. Double Tax Treaties between AR and other countries, https://www.taxes.gov.az/az/page/ikiqat-vergitutmanin-aradan-qaldirilmasina-dair-beynelxalq-sazisler (“DTT”) <p><i>Supplementary materials and textbooks:</i></p> <ol style="list-style-type: none"> 7. Taxation clause of Production Share Agreements and Host Government Agreements in Azerbaijan 8. PSAs’ Tax Protocol on Corporate profit taxes, https://www.taxes.gov.az/az/page/hasilatin-pay-bolgusu-haqqinda-sazise-dair-protokollar-psa (“PSA Protocols”) 9. OECD (2017), International VAT/GST Guidelines, OECD Publishing, Paris. http://dx.doi.org/10.1787/9789264271401-en 10. C.Spengel, A.Oestreicher (2011) “Common Corporate Tax Base in the EU”, Mannheim and Göttingen 11. OECD (2019), Model Tax Convention on Income and on Capital (2017), OECD Publishing, Paris. https://doi.org/10.1787/g2g972ee-en 12. Commentaries on the Articles of Model Tax Convention (2010) https://www.oecd.org/berlin/publikationen/43324465.pdf 13. Kevin Holmes, (2014) “International Tax Policy and Double Tax Treaties”, 2nd revised edition (or 1st -2007 edition), IBFD 	

Course outline	<p>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.</p> <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>	
Course objectives	<p><i>Generic Objectives of the Course:</i></p> <ul style="list-style-type: none"> • 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. <p><i>Specific Objectives of the Course:</i></p> <ul style="list-style-type: none"> • 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. • To furnish the students with the critical way of thinking about taxes. 	
Learning outcomes	<p>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:</p> <p><i>Generic Outcomes:</i></p> <ul style="list-style-type: none"> • To understand the general taxation principles of individuals and businesses. • Understand impact of taxes on business decision making. • To understand core elements of domestic taxation system. • Understand international taxation principles and recent developments in combatting tax evasion. <p><i>Specific outcomes:</i></p> <ul style="list-style-type: none"> • To be able to determine and solve various tax problems based on a well-grounded reasoning. • Ability to think critically about current tax reform proposals. • To be able to develop analytical skills by solving problems. • To conduct research on specific taxes in a given jurisdiction. 	
Teaching methods	Lecture	✓
	Group discussion	✓
	Case analysis	✓

Evaluation	Methods	Date/deadlines	Percentage (%)
	Midterm Exam	TBA	30
	Class Activity		5
	Attendance		5
	Quiz		10
	Group Practice		10
	Final Exam	TBA	40
	Total		100

Policy	<p>Students are required to attend all classes to be able to follow all lectures. Participation in class discussions will play a vital role in assessment of students' activity rates. 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</p> <p>A quiz will be held to evaluate factual standing points of students in terms of the covered topics. A main purpose of carrying out quiz is to enforce students' focuses on covered lectures and provide students experience in solving several types of theoretical and numerical questions. Quiz will contain questions mainly in open format to evaluate students' theoretical knowledge and critical thinking.</p> <p>A group practice 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.</p>
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Tentative Schedule

Week	Date/Day (tentative)	Topics	Reading notes
1	16.09.2024	Introduction / General Principles of Taxation	ICT&TP - Chapter 1 Taxation of Income, Wealth and Consumption; TFA2020 – Chapter 1. Introduction to the UK tax system;
2	23.09.2024	General taxation principles in the Taxation System in Azerbaijan	TCoAR – Chapter I. General Provisions
3	30.09.2024	Taxation of Individuals – general principles	ICT&TP – 2.Taxation of Individuals (Personal Income Tax); TFA2020 – 2. Introduction to income tax
4	07.10.2024	Taxation of individuals in Azerbaijan – PIT and Social Insurance Contributions	TCoAR - Chapters 8 and 10; Law on Social Security
5	14.10.2024	Corporate Income Tax principles	ICT&TP – Chapter 3. Taxation Of Business Profits; TFA2020 – Part3. Corporation Tax, Chapters 23, 24
6	21.10.2024	Corporate Income Tax in Azerbaijan	TCoAR – Chapters 9, 10, 17
7	28.10.2024	Corporate Income Tax reporting and compliance requirements Practice session / QUIZ	TCoAR – Chapter 10 (Articles 149-152), Chapter 17 (Article 221)
8	04.11.2024	Principles of indirect taxes, Value Added Tax	ICT&TP – Chapter 6. Value-added tax ;

			International VAT/GST Guidelines – Chapter 1., Chapter 2 (para A., B., C.)
9	18.11.2024	Mid-term Exam	
10	25.11.2024	Value Added Tax in Azerbaijan (part 2)	TFA2020 – Chapters 29, 30; TCoAR – Chapters XI, XII
11	02.12.2024	Excise taxes, practice on VAT and excise	
12	09.12.2024	Property and Land Taxes/ Group work preparation	TCoAR – Chapters XIII, Chapter XIV
13	16.12.2024	Mining Tax and Road Tax	TCoAR – Chapters XV, XVI
14	23.12.2024	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	30.12.2024	Tax accounting, Deffered Tax principle. Review session	TFA2020 – Chapter 25; TCoAR – Articles 130-136
16	TBA	Final Exam	