

Identification	Subject (Code, title, credits)	FIN 855: Taxation 3 KU/6ECTS
	Department	Economics and Management
	Program type	Graduate
	Term	Spring 2024
	Instructor	Jeyhun G. Mammadov
	E-mail:	jeyhun.mammadov@khazar.org
	Classroom/hours	
	Office hours	By appointment
Prerequisites	ACC 801 Financial Accounting	
Language	English	
Compulsory/Elective	Compulsory	
Required textbooks and course materials	<p>Core study materials:</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. PSAs’ Tax Protocol on Corporate profit taxes, https://www.taxes.gov.az/az/page/hasilatin-pay-bolgusu-haqqinda-sazise-dair-protokollar-psa (“PSAProt”) 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>Supplementary materials and textbooks:</p> <ol style="list-style-type: none"> 7. Taxation clause of Production Share Agreements and Host Government Agreements in Azerbaijan 8. 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”) 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	This course establishes a bridge to close the gap between traditional business administration courses, which pay little attention to the role of taxation, and taxation courses, which normally ignore the broad business operating context. The course provides a framework to understand the general taxation principles, possible tax planning opportunities, and international principles of tax strategy. 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.	
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 procedures. 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 the 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 allow the students to make business decisions. • To furnish the students with the critical way of thinking about taxes. 	
Learning outcomes	<p>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
	Quizzes	Two optionally chosen days	10
	Group Practice	week 13	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 the assessment of students’ activity rates.</p> <p>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>Two (2) quizzes will be held to evaluate the factual standing points of students in terms of the covered topics. The main purpose of carrying out quizzes is to enforce students’ focuses on covered lectures and provide students with 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.</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 mechanisms, etc. in different jurisdictions. A group assignment paper is expected to be based on on-desk research.</p>		
Tentative Schedule			
Week	Date/Day (tentative)	Topics	Reading notes
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; The Tax Code - General Provisions
2		Taxation of Individuals – general principles	ICT&TP – 2. Taxation of Individuals (Personal Income Tax); TFA2020 – 2. Introduction to income tax
3		Taxation of individuals in Azerbaijan – PIT and Social	The Tax Code

		Insurance Contributions	Law on Social Security
4		Corporate Income Tax Principles	ICT&TP – Chapter 3. Taxation Of Business Profits. TFA2020 – Part3. Corporation Tax, Chapters 23, 24
5		Corporate Income Tax in Azerbaijan	The Tax Code
6		Corporate Income Tax reporting and compliance requirements Practice session	The Tax Code (Articles 149-152), Chapter 17 (Article 221)
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		Mid-term Exam	
9		Value Added Tax and Excise Tax (part 2)	TFA2020 – Chapters 29, 30. The Tax Code
10		Property Tax principles	The Tax Code
11		Land Tax principles.	The Tax Code
12		Mining Tax and Road Tax	The Tax Code
13		Production sharing agreements and their taxation regimes / Group work	PSA Protocol on profit tax;
14		Transfer Pricing concept and methods	OECD TP Guide – Chapter I (pp. 33-38), Chapter II (pp.97-118, 133-135) TFA2020 – Chapter 32 ; The Tax Code – Articles 13, 14, 14-1, 16 ;
15		Tax accounting, Differed Tax principle. Review session	TFA2020 – Chapter 25; The Tax Code – Articles 130-136

16		Final Exam	
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