TABL5544/3044
Comparative Tax Systems

Course Outline
Summer Term, 2016

Part A: Course-Specific Information
Comparative Tax Systems

TABL3044-TABL5544

The course provides students with a comparative overview of the tax systems of various countries, with a view to developing a conceptual and practical understanding of the reasons why tax systems differ (and why they are sometimes so similar). The objectives of the course are to help students understand the characteristics that tax systems have in common, the areas in which tax systems differ, and the factors (legal, institutional, political, economic, social and cultural) that cause the similarities and differences.

The course covers areas such as tax structures, tax at different government levels, different types of tax (including income taxes, consumption taxes, capital & wealth taxes, and environmental taxes), tax operating costs, tax administration and tax policy making and reform.

Summer Semester, 2016
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About the lecturers

Chris Evans

PhD (UNSW) MA (Leics), BSc (Hons) Econ (London), PGCE (Leeds), CIOT, FTIA, FCPA

Chris Evans is a Professor of Taxation in the School of Taxation and Business Law at UNSW Australia, an Extraordinary Professor at the University of Pretoria in South Africa, an International Research Fellow at Oxford University and at the Tax Administration Research Centre at the University of Exeter in the UK, and a Visiting Professor at various other universities. He joined UNSW in 1992 from London Metropolitan University. Chris has been lecturing since 1987 and now teaches principally on postgraduate courses, where he specialises in comparative taxation, capital and wealth, tax policy and tax administration. He also researches heavily in all areas of taxation, and consults to international organisations such as the World Bank.

Earlier in his career, Chris was an Associate Director of the largest independent taxation consultancy in the UK. There he provided taxation advice to a range of national and international blue chip clients. He had joined that company after several years in the UK Inland Revenue, where he was an Inspector of Taxes (Principal). He is a Fellow of the Taxation Institute of Australia and a member of the Institute of Chartered Accountants in Australia and New Zealand, and a former member of the UK’s Chartered Institute of Taxation (and former Chairman of the Asia-Pacific Branch). He has served on a number of Australian Treasury, professional body and Tax Office committees as a tax profession representative and as an independent academic, and is a former member of the standing advisory panel of The Board of Taxation. He was also involved as a contributor to the UK’s Mirrlees Review 2007 to 2011.

Chris has written over 100 articles and papers published in Australian and international journals, and authored and edited many texts and chapters. He is joint author of OUP’s Australian Taxation Law, and General Editor of Australian Tax Review. He is also joint author (with Gordon Cooper) of the Australian CGT Handbook, published by Thomson Reuters.
Binh Tran-Nam

Professor Binh Tran-Nam’s broad research interests are in the fields of development economics, international trade and public finance. Within development economics, he has published papers and book chapters on various aspects of the Vietnamese economy. Within international trade, his chief’s interest lies in normative trade theory, especially in the context of overlapping generations or time-consuming consumption. Within public finance, Binh has recognized expertise in the field of tax compliance costs, tax complexity and tax simplification. He has published widely and also acted as national and international consultants in this particular area.

Lee Burns

Professor Lee Burns is Honorary Professor, Graduate School of Government, University of Sydney. Lee specialises in international and comparative tax law. Lee was a contributor to the leading comparative tax work, Tax Law Design and Drafting. Lee has authored many papers and articles on international tax and has advised the Australian Treasury and the Board of Taxation on the reform of Australia’s controlled foreign company regimes. Since 1991, Lee has provided assistance on the design and drafting of tax laws under the technical assistance program of International Monetary Fund to over 30 countries, including in Africa, Asia and the Pacific.
Letter of introduction

I would like to take this opportunity to welcome you to the course *Comparative Tax Systems*.

This is a postgraduate course and as such it is expected that you will have a broad basic understanding of principles of taxation in a variety of contexts. You may be working in taxation, perhaps as a tax practitioner or in a revenue administration, or you may be aspiring to work in such an organizational context. Alternatively, you may come from another background. There are no set prerequisites for this course and whatever your background I am sure you will be able to bring knowledge and experience that will be valued by your lecturers and fellow students.

The course is being taught in Intensive face to face mode on **Friday 15, Saturday 16, Monday 18 and Tuesday 19 January 2016** by myself and two colleagues: Professors Binh Tran-Nam and Lee Burns. I will also act as convener and will be available throughout the course to deal with any administrative matters that may crop up.

But you will not be able to leave everything until the teaching of the course starts on 15 January. You will need to engage with the first five modules of the Study Materials as soon as they are available, as you are required to identify and agree a country upon which your first assignment will be based with me by **Monday 7 December**, and then submit your first assignment (on **Monday 21 December**) well before the teaching commences. You will also need to prepare your second assessment task, which is a presentation based on your first assignment, prior to the commencement of classes (and send it to me by **Monday 11 January**). So it is important that you steadily work your way through the first five modules between now and January.

Please give this course the attention it deserves. I hope you will find it enjoyable, stimulating and helpful in your day-to-day work and career aspirations. Do not hesitate to contact me (my contact details are below) if you have any issues.

I look forward to meeting you as we get underway in the Intensive.

*Chris Evans*

cc.evans@unsw.edu.au

02 9385 9546
Introduction to the course

The course provides students with a comparative overview of the tax systems of various countries, with a view to developing a conceptual and practical understanding of the reasons why tax systems differ (and why they are sometimes so similar). The objectives of the course are to help students understand the characteristics that tax systems have in common, the areas in which tax systems differ, and the factors (legal, institutional, political, economic, social and cultural) that cause the similarities and differences.

The course covers areas such as tax structures, tax at different government levels, different types of tax (including income taxes, consumption taxes, capital and wealth taxes, environmental taxes), tax operating costs, tax administration and tax policy making and reform.

The course seeks to answer a series of key questions such as:

- Do countries have different mixes of taxation (tax structures), and if so, why?
- Why do some countries have more tax expenditures than others?
- What are the best types of tax for different levels of government?
- Why is income tax the dominant tax in so many developed countries whereas developing countries rely so heavily on indirect taxes?
- Why are there so many differences in the way countries tax personal income, corporate income and capital gains?
- Why do so few countries have wealth taxes?
- Why have value added taxes, or derivatives of such taxes, become the dominant form of consumption tax worldwide?
- What is the role of environmental taxation in modern tax systems?
- How do tax systems and revenue authorities best manage issues of compliance and complexity?
- How are tax systems likely to develop in the future?
- What are the keys to success in tax reform?
Relationship to other courses in program

This course complements existing courses on offer in the postgraduate program, but deals with areas that are not otherwise covered in depth in other postgraduate courses. It will provide an important conceptual bridge to domestic and international students on postgraduate programs who are concerned to know why tax systems have developed in the way that they have and how they may develop in the future.

Course objectives

A candidate who has successfully completed this course should be able to:

• identify the major similarities and differences between contemporary tax systems
• account for the major reasons for such similarities and differences
• understand the impact of institutional legal, political, economic, social, cultural and other factors on the development of tax systems
• identify likely trends in tax system development and future tax reform.

Relationship with graduate attributes

The Business School graduate attributes reflect the qualities and skills we expect our students to develop by the end of their degree, in addition to disciplinary and technical expertise. There are six attributes, as follows:

1. **Critical thinking and problem solving:** Graduates will be able to collect, analyze and evaluate information and ideas, and define and solve problems.

2. **Communication:** Graduates will be able to communicate effectively and confidently in oral and written forms, in a diverse range of contexts.

3. **Teamwork and leadership:** Graduates will be able to display collaborative skills in teamwork and a capacity for leadership.

4. **Social, ethical and global perspectives:** Graduates will be able to demonstrate understanding of social and global perspectives on a range of cultural, environmental and economic spheres of engagement.

5. **In-depth engagement with relevant disciplinary knowledge:** Graduates will be able to apply their in-depth knowledge of disciplinary fields in their practice.
6. **Professional skills**: Graduates will be able to demonstrate the capacity to plan and manage their study and workloads to achieve self-direction, and personal and professional goals.

This course will contribute to the development of these attributes as follows:

1. **Critical thinking and problem solving**
   Students will develop skills of analysis and an ability to critically review existing theory and practice relating to tax systems around the world. They will develop an independent capacity to understand conceptual issues relating to tax system design in developed and developing countries. They will also develop an independent capacity to resolve complex issues and to critically analyze existing tax system practice in a number of countries in terms of both policy rationale and technical application.

2. **Communication**
   Students will present well-structured and discursive analyses of key features of tax systems and issues that may arise from the way tax systems have developed in their written assignments. They will also make presentations to their fellow students on key aspects of tax systems in class. They will constructively engage in oral discussion with, and questioning of, fellow students in class.

3. **Teamwork and leadership**
   Students will work in teams to develop model answers to class questions, and show a capacity for leadership in the presentation of group work in class presentations and participations.

4. **Social, ethical and global perspectives**
   Students will develop an understanding of tax system design and practice issues in an international context through the comparative nature of the course. This will include a consideration of social and ethical factors that underpin tax system development around the world.

5. **In-depth engagement with relevant disciplinary knowledge**
   By focusing early in the course on specific aspects of one chosen tax system (forming the basis for the first assignment and class presentation), students will be able to apply the in depth knowledge achieved in that sphere to a variety of other situations, issues and contexts that they will subsequently encounter in the course.

6. **Professional skills**
   The skills required for planning, self-management and for independent and reflective learning will be developed through regular self-assessment opportunities in course modules, assignments and class presentations and discussions.
Link to assessment

The following table indicates which specific graduate attributes are developed and tested through each of the assessment tasks in this course.

<table>
<thead>
<tr>
<th>Assessment task</th>
<th>Graduate attributes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assignment 1</td>
<td>1, 5, 6</td>
</tr>
<tr>
<td>Assignment 2 (Take home exam)</td>
<td>1, 2, 4</td>
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<tr>
<td>Class presentation</td>
<td>2, 5, 6</td>
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<tr>
<td>Class participation</td>
<td>2, 3, 4</td>
</tr>
<tr>
<td>Module activities</td>
<td>1, 4, 5</td>
</tr>
</tbody>
</table>

Course evaluation and quality enhancement

The quality enhancement process involves regular review of courses and study materials by content and educational specialists, combined with feedback from students. At the end of the course, two surveys will be released for your completion. For each course there is a ‘Teaching’ evaluation survey, which allows you to provide feedback on the effectiveness of your course lecturer, and a ‘Course’ evaluation survey, which focuses on the actual course content. These surveys are administered as part of the UNSW Course and Teaching Evaluation and Improvement process (‘CATEI’). Your input into this quality enhancement process through completing these surveys is extremely valuable in assisting Atax to meet the needs of its students and to provide an effective and enriching learning experience. The results of all surveys are carefully considered and do lead to action to enhance the quality or course content and delivery.

The course was last offered (in Intensive mode involving a four day class in Sydney) in Summer Semester, 2013. The CATEI feedback for the course received from students (16) was very positive, with all students ‘strongly agreeing’ (75%) or ‘agreeing’ (25%) with the statement that “Overall, I was satisfied with the quality of this course”. There was no negative feedback on any of the 10 items relating to the course that were evaluated on the CATEI course evaluation form (Form A).
How to use this package

You should carefully read this Course Outline. It contains most of the relevant information about how this course will be run and the expectations of you as a student. You should also refer to the Suggested Study Schedule at the end of this Course Outline. To get the most out of your study we recommend that you follow this schedule through the course and fit various time demands into a well-organized diary. Systematic study through the Semester is the key to success in a flexible learning program.

The Study Guide (which includes this Course Outline and the individual Modules) can help you in three ways.

1. It sets out a clear path of study and helps you plan your workload. It also identifies learning outcomes and key concepts at the start of each module and provides a series of activities to help you learn actively and manage your own progress through the course.

2. It contains the core content for the course (often with reference to legislation, textbooks and other relevant material). The structure and layout of the Study Guide is designed to highlight key points and assist your revision for assignments, research papers and examinations.

3. It tells you when to refer to textbooks, legislation and other readings, giving precise details of what you should read.

Features of the Study Guide

Each module includes a range of features to assist you in managing your learning and developing study skills. These features include:

- Overview page
- Heading levels
- Learning outcomes and key concepts
- Module text
- Activities and feedback
- Readings
- Margin notes
- Instructional icons

Please familiarize yourself with the Key to Instructional Icons on the following page. These icons are intended to help you navigate the study materials and to encourage active learning.
Key to instructional icons

- compulsory reading
- write responses outside the Study Materials
- optional reading
- write response in the Study Materials
- note this important point
- pause to reflect
- recall earlier work
- prepare for discussion in an Audio Conference or Webinar
- discuss with colleague
- discuss with study group
- access Moodle or the internet
- undertake investigation or research
- use video resource
- use audio resource
- use software
- perform fieldwork

Only some of the media shown in the instructional icons are used in this course.
Profile of this course

Course description

Course number/ Course name
TABL3044/5544 Comparative Tax System

Units of credit
6

Suggested study commitment
You should plan to spend an average of 10–12 hours per week on this course to perform well (including class attendance, online participation, assignments, examination preparation etc). The information included on the overview page of each module should help you plan your study time.

Semester and year
Summer Semester 2016

Lecturer/s
Chris Evans, Binh Tran-Nam, Lee Burns

Contact details of Course Convenor
Telephone: +61 (2) 9385 9546
Fax: +61 (2) 9313 6658
Email: cc.evans@unsw.edu.au
Textbooks and references

Prescribed textbook/s

You must purchase or have access to the following publication/s.


This book is available at the UNSW bookshop:

https://www.bookshop.unsw.edu.au/tabl.html

Or you can purchase directly from the UK publisher (overseas postage may be charged):


This is referred to throughout the Study Guide as ‘Textbook’.

Note that the textbook is currently in the process of being revised and updated by C Evans, A Lymer, J Hasseldine and R Ricketts (scheduled for publication in 2016 under the title Comparative Taxation). Where relevant and possible, later versions of chapters of the book will be made available on-line at or before the classes.

Citation and style guide

In presenting written work for assessment in this course you must use an appropriate and consistent style for referencing and citation.

The following is a selection of acceptable citation and style guides, which you may use as the basis for your written work. You must purchase or have access to one of the following publications.


Harvard citation guide, such as the University of Western Australia guide to Harvard available at http://guides.is.uwa.edu.au/harvard

Recommended reference/s

Below is a list of further references that you may find useful in this course. Purchase of further references is not compulsory.


**Useful websites**

Below is a list of useful websites with good comparative tax material:

- OECD Revenue Statistics: [www.oecd-ilibrary.org](http://www.oecd-ilibrary.org)
- International Centre for Tax and Development (ICTD): [http://www.ictd.ac/](http://www.ictd.ac/)
Intensive classes

This course is built around a four day intensive contact period involving daily face-to-face classes from 9.30am to 5.00pm in the period Friday, 15 January to Tuesday, 19 January 2016 (no class Sunday 18 January).

These classes will be conducted using a combination of lectures and seminar style discussion, with an emphasis on interaction, problem solving and active participation by students. They are designed to try out new ideas and give you a forum to ask questions and discuss issues with your lecturer and other students. Do not be afraid to participate—it is only by trying out new ideas and exploring their dimensions that we learn.

Attendance at the intensive classes is a compulsory requirement in this course and class participation will be assessed and form 10% of the final mark in this course, in addition to the 20% marks that is allocated for a class presentation you will be required to make.

Thorough preparation is essential if you are to gain maximum benefit from the classes. You can only start to come to grips with material if you work on it actively. You will be expected to have read through Modules 1 to 5 in the period prior to attending the first face-to-face class on Friday, 15 January 2016.
Assessment

All assignments must be submitted electronically through Moodle. Please refer to Part B for guidelines on assignment preparation and rules for electronic submission of assignments (as well as information on deadlines and penalties for late submission).

Assessment for all students undertaking this course will be on the basis of:

(a) Assignment 1 30%
(b) Assignment 2 40%
(c) Class presentation 20%
(d) Class participation 10%

In order to pass this course, an enrolled student must obtain:

- 50 per cent or more of the total marks available in the course and
- at least 40 per cent of the marks available for Assignment 2.

Assignments

Assignment submission dates

There are 2 assignments:

Assignment 1
Due date: Monday 21 December 2015
Weighting: 30%
Word limit: 3000 words (plus or minus 10%)

Assignment 2 (Take home exam)
Due date: Monday 15 February 2016
Weighting: 40%
Word limit: 4000 words (plus or minus 10%)

Assignment topics are included on the following pages.

Class presentation

A mark of 20% will be awarded for a 20 minute presentation made in class in the Intensive class period. The presentation will be based upon the work you have undertaken in the first assignment (see below).

In the presentation, which will be to fellow students and the course lecturers, you will need to provide a succinct overview of the
contemporary tax system of the country you selected to write about in Assignment 1. In 20 minutes, you will not be able to cover all aspects that you have written about, but it is important that you focus upon the same key tax system features that have been stressed in the first five modules of the course.

Fifty per cent of the mark for your presentation will be allocated by your fellow students in the Intensive class; the other 50% will be allocated by the course lecturers.

You should prepare a power point or similar slideshow to accompany your presentation. Remember that you only have 20 minutes (there will then be 10 minutes for question and answer, discussion etc) and so you cannot expect to get through more than about 10 slides in that time.

Your power point presentation should be emailed to the course lecturer by midday Monday 11 January 2016.

More details of the assessment criteria etc will be provided via Moodle early in the course.

Class participation

A further mark of 10% will be awarded for class participation throughout the Intensive class period. This will be based upon your general contribution and engagement in the four days of the Intensive, including your ability to critique the class presentations made by others and to contribute more generally to class discussions and to the learning that takes place in the class.
Assignment 1

Due date: To be submitted via Moodle by Monday 21 December 2015 (Midnight, EST)
Weighting: 30%
Length: 3000 words (plus or minus 10%)
Note: This assignment topic is for all students

Topic:
You are required to select the tax system of a country with which you are familiar or in which you are interested. You are not permitted to select Australia, the United Kingdom (UK) or the United States of America (USA) for the purposes of this assignment.

Prepare a report on the major features of the tax system of your chosen country. It should include (but is not restricted to) detail that covers all of the topics and issues that are discussed in Modules 1–5 of the Study Materials.

Your report should be as up to date as possible and should be evaluative as well as descriptive.

You should agree the country that you have selected by email with the course convener (Chris Evans: cc.evans@unsw.edu.au) by Monday 7 December 2015. Note that only one student will be able to choose any one particular country. Countries will therefore be allocated on a “first in, first served” basis by the course convener.

Evaluation criteria

An important note on word limits
Assignments are exercises in filtering material and communicating it succinctly. Quantity is not to be confused with quality. Atax lecturers will uniformly apply this principle in their assessment of assignments.

Most word processing packages indicate word lengths, or otherwise some manual check must be done in the drafting process. Indicate the actual number of words of your assignment in the space indicated on your assignment cover sheet.

The following criteria will be used to grade assignments:
• use of up to date and comprehensive source material
• ability to cut through the undergrowth and penetrate to key issues
• identification of key facts and the integration of those facts in
the logical development of argument

- ability to analyze and evaluate the information you use in the assignment
- demonstration of a critical mind at work and, in the case of better answers, of value added to key issues over and above that of the source materials
- clarity of communication—this includes development of a clear and orderly structure and the highlighting of core arguments (including, where appropriate, headings)
- sentences in clear and, where possible, plain English—this includes correct grammar, spelling and punctuation
- use of tables, graphs and figures, where appropriate, to support your argument
- correct referencing and bibliographic style in accordance with a recognized and appropriate citation and style guide (when uploading, check your footnotes have been correctly submitted).

You will need to read beyond the study materials and references to do the assignment.

Assignment 2 (Take home exam)

Due Date:
To be submitted via Moodle by Monday, 15 February 2016 (Midnight, EST)

Weighting: 40%

Length: 4000 words (plus or minus 10%)

The topics for the take home exam (Assignment 2) will be provided immediately after the Intensive Class in mid-January 2016. You will be required to select one or possibly two questions from a range that will be offered, primarily based upon topics covered in the later modules of the course.

Evaluation criteria

An important note on word limits

Assignments are exercises in filtering material and communicating it succinctly. Quantity is not to be confused with quality. Atax lecturers will uniformly apply this principle in their assessment of assignments.

Most word processing packages indicate word lengths, or otherwise some manual check must be done in the drafting process. Indicate the actual number of words of your assignment in the space indicated on
your assignment cover sheet.

The following criteria will be used to grade assignments:

• ability to cut through the undergrowth and penetrate to key issues
• identification of key facts and the integration of those facts in the logical development of argument
• demonstration of a critical mind at work and, in the case of better answers, of value added to key issues over and above that of the source materials
• clarity of communication—this includes development of a clear and orderly structure and the highlighting of core arguments (including, where appropriate, headings)
• sentences in clear and, where possible, plain English—this includes correct grammar, spelling and punctuation
• accurate numerical answers
• correct referencing and bibliographic style in accordance with a recognized and appropriate citation and style guide (when uploading, check your footnotes have been correctly submitted).

You are encouraged to read beyond the study materials and references to do the assignment.
## Suggested study schedule

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<th>Topic</th>
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<td>30 November</td>
<td>1</td>
<td>Introduction</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>2</td>
<td>Who taxes what?</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>7 December</td>
<td>3</td>
<td>Income taxation</td>
<td>Agree country for Assignment 1 with course convener by Monday 7 December</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4</td>
<td>Consumption and environmental taxation</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>14 December</td>
<td>5</td>
<td>Capital or wealth taxation</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>21 December</td>
<td>1–5</td>
<td>Review Modules 1–5 and prepare for class presentation</td>
<td>Assignment 1 due (due Monday 21 December)</td>
</tr>
</tbody>
</table>

**Christmas shutdown – 21 Dec 2015 to 3 Jan 2016**

<table>
<thead>
<tr>
<th>Week</th>
<th>Beginning</th>
<th>Module</th>
<th>Topic</th>
<th>Events and submissions</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>11 January</td>
<td>1–7</td>
<td>Intensive classes 15 and 16 January</td>
<td>Submit presentation slides to course convener (due Monday 11 January) Intensive Class period (15–19 January)</td>
</tr>
<tr>
<td>6</td>
<td>18 January</td>
<td>1–7</td>
<td>Intensive classes 18 and 19 January</td>
<td>Intensive Class period (15–19 January) Assignment 2 (Take home exam) topics made available</td>
</tr>
<tr>
<td>7</td>
<td>28 January</td>
<td>6</td>
<td>Tax compliance and complexity</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>1 February</td>
<td>7</td>
<td>Tax reform</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>2 February</td>
<td>1–7</td>
<td>Review Modules 1–7 and complete Assignment 2</td>
<td>Assignment 2 due (due Monday 15 February)</td>
</tr>
<tr>
<td>15</td>
<td>15 February</td>
<td>1–7</td>
<td>Review Modules 1–7 and complete Assignment 2 (Take home exam)</td>
<td>Assignment 2 due (due Monday 15 February)</td>
</tr>
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