

TAX6526: International Taxation
Spring 2017 (Module 4)
Fisher School of Accounting
Warrington College of Business Administration
University of Florida

Instructor: Gary McGill, PhD, CPA **Office Hours:** Tuesday & Thursday, 12:45 – 1:45 pm
Specific appointments are available for other times and feel free to stop by at any time [inform the receptionist at the FSOA front desk that you're in my class and they'll send you back to my office].

Office: GER 210 (Main FSOA Office)
Phone: (352) 273-0219
Email: mcgill@ufl.edu **Location:** GER 121; Tuesday & Thursday
1:55 – 3:35 pm

Course Description: This course addresses the U.S. taxation of U.S. multinational enterprises operating abroad and foreign enterprises operating within the United States. Upon completion of this course you will be able to:

- Recognize how the United States taxes the income of U.S. persons with income outside the United States and foreign persons with income connected with the United States
- Interpret the financial statements of a multinational company with regard to its worldwide tax position
- Apply the foreign tax credit rules
- Identify the implications of the controlled foreign corporation regime
- Use income tax treaties in interpreting the tax consequences of cross-border transactions
- Recognize international tax planning and structuring concepts
- Recognize issues surrounding global tax compliance concerns regarding base erosion and profit shifting

Course Philosophy: As in any work setting, my primary responsibility is to provide you with *opportunities* to succeed, that is, to learn and develop. I will provide explanations, perspective, and guidance for learning. All *real* learning is voluntary.

Class Web Page: The course materials are in the UF Canvas E-Learning system. You can access this site at the Fisher School of Accounting website, under MyFSOA and E-Learning. You will need your GATORLINK USERID and PASSWORD to access the course information. If you don't have a GatorLink account, create your GatorLink account at gatorlink.ufl.edu.

Course Materials:

Chapters on international tax are provided for download. Additional non-chapter readings (including current event course related items), lecture slides, cases, and other handouts also are available from the course web page with postings announced via the class email list. All students must have access to the *Internal Revenue Code of 1986, as amended* and the *Federal Income Tax Regulations*. (Note that this information also is available via the web using the RIA, CCH, or LEXIS Tax Research Services.)

Potential Texts (not required):

- Moore, M. E. Outslay, and G. McGill, *U.S. Tax Aspects of Doing Business Abroad*, 6th Edition, AICPA, New York, NY, (currently being revised for 7th Edition)
- R.J. Misesy and M.S. Schadewald, *Practical Guide to U.S. Taxation of International Transactions*, CCH, latest edition.
- Bittker, B. and L. Lokken, *Fundamentals of International Taxation*, Warren, Gorham, & Lamont.
- Richard L. Doernberg, "International Taxation in a Nutshell," West, latest edition.

Web-based Information Resources: All students in the course have access to several electronic tax research libraries. These include CCH Tax Research Library, RIA Checkpoint Tax Research Service, LEXIS/NEXIS, and BNA Tax Management Portfolios. Although there is substantial overlap across these services, all provide useful and unique research tools, including complete versions of tax research services (commentary and explanation), Code, regulations, court cases, rulings, tax treaties, etc. You may access these libraries from anywhere you can access the internet. Both LEXIS/NEXIS and CCH require no password as long as you access the database via a UF computer account. There are several methods (e.g., proxy server or VPN) for making your computer think it is linked to a UF sever via a few special commands; if you need this information, see “<http://web.uflib.ufl.edu/ufproxy.html>” or the class web site. RIA and BNA require a USERID and PASSWORD. To acquire an account for RIA, visit “<http://businesslibrary.uflib.ufl.edu/tax/>,” select “Checkpoint Student Registration” from menu in order to obtain a USERID and PASSWORD. Note that these accounts last approximately a year and you may already have a valid account from a prior signup. For problems with obtaining an RIA account, please contact Peter McKay, UF business librarian at pzmckay@ufl.edu. To access BNA, use the following: USERID: uflstuweb and PASSWORD: bnaweb22.

Class Announcements: I will use the announcement function of the E-Learning website to keep you informed about class assignments, etc. Any information posted at the website will be considered officially delivered to you so please check announcements and make sure you are receiving announcements via email when posted.

Final Grades: Final course grades are based on your performance on the exam, comprehensive case, and final project. Although no formal weight is assigned to class participation, I will reward excellent class participation for those students who are at the margin for a higher class grade. I reserve the right to add additional exams, quizzes, or projects should class participation and performance on case projects demonstrate the need for additional graded work. The tentative weights assigned to each of these activities are:

Exam	50%
Comprehensive Case	25%
Final Project	<u>25 %</u>
	<u>100 %</u>

Exam: The exam is individual work and will be completed during regular class time. See syllabus addendum for make-up exam policy. The exam is open book, open notes, computer, etc. You may use any resources other than those of another person. Although an internet connection may be available during the exam period you may not use instant messaging, email, shared documents, or a similar application to contact others during the exam period. Also, internet connections and computers are by their nature fickle; depend on computer resources during an exam at your own risk!

Case Studies: Case studies are assigned for most topics. You may work together in informal teams on these case studies but should retain an individual copy of your work. I will not collect these case studies for grading but their timely completion will assist you in preparing for the exam and demonstrating excellent class participation.

Comprehensive Case Study & Final Project: Both assignments are completed as a team. You should align yourself with a team consisting of up to four people. A team can be one person, however I do not recommend working alone. The choice of teammates is not a trivial task. Your best friends are often not the best teammates. This said, you may choose your own teams (but team size can't exceed four persons). Teams must manage themselves. That is, teams can choose to fire members, reorganize with different members, etc. at any time. Consequently, if you're not happy with your team, it is up to you to change things. Final Project may be supplemented with a group “creative” presentation for extra credit. Details provided in class.

Participation: Come to class having completed the assignments to the best of your ability and prepared to discuss the assignment. Below-average participation means no contributions to class and/or comments that detract from the discussion; average participation includes comments that contribute positively to the discussion; above-average participation means comments that contribute positively to the discussion and display some insight, analysis, creativity, and/or synthesis; and excellent participation means comments that contribute positively to the discussion and display significant insight, analysis, creativity, and/or synthesis.

Class Policies: All University of Florida, Warrington College of Business Administration, and Fisher School of Accounting policies and rules apply. Particularly note University policies regarding software use and the Fisher School of Accounting honor code.

Important Dates:

First day of class: Tuesday, February 28

SPRING BREAK: March 6-10

Comprehensive Case Study due: Thursday, April 6

Exam: Tuesday, April 11 (in class)

Last day of class: Tuesday, April 18

Final project due: Tuesday, April 18

Topics (tentative schedule):

Date	Topic	Text Chapters	Assigned Cases
TUESDAY February 28	I. International Tax Framework	Moore, Outslay, & McGill (MOM), Chapters 1-4	
THURSDAY March 2	II. Financial Reporting & International Tax	Risky Business: The Prosopography of Corporate Tax Planning, <i>National Tax Journal</i> , 2014. (Donohoe, McGill, and Outslay)	
	SPRING BREAK		
TUESDAY March 14	II. Continued		Case 2-1
THURSDAY March 16	III. Tax Treaties	MOM, Chapter 6	Cases 3-1 & 3-2
TUESDAY March 21	IV. Sourcing Income & Deductions	MOM, Chapter 5	Cases 4-1 & 4-2
THURSDAY March 23	V. Foreign Tax Credit	MOM, Chapter 7	Case 5-1
TUESDAY March 28	Foreign Tax Credit (cont'd)		Case 5-2
THURSDAY March 30	VI. CFCs & Anti-Deferral Regimes	MOM, Chapters 8, 10, & 11	Cases 6-1 & 6-2
TUESDAY April 4	CFCs (cont'd)		Case 6-3
THURSDAY April 6	Comprehensive Case Study due		
TUESDAY April 11	Exam (in class)		
THURSDAY April 13	Exam Review		
TUESDAY April 18	Inbound Overview, BEPS, etc.	Supplemental Readings	

Syllabus Addendum

Course Grade: Final grades will be based on obtaining the following percentage of total course points: 93-100% = A; 90-92% = A-; 87-89% = B+; 83-86% = B; 80-82% = B-; 77-79% = C+; 73-76% = C; 70-72% = C-; 67-69% = D+; 63-66% = D; 60-62% = D-; 0-59% = E. Required percentages may be reduced based on a course curve.

Grade Values: The grade-point value per credit hour associated with each letter grade is assigned by the Office of the University Registrar: A = 4.0, A- = 3.67, B+ = 3.33, B = 3.0, B- = 2.67, C+ = 2.33, C = 2.0, C- = 1.67, D+ = 1.33, D = 1.0, D- = .67, E = 0.0. For more information visit:

<https://catalog.ufl.edu/ugrad/current/regulations/info/grades.aspx>

Make-Ups: A make-up exam will be given when the student has a valid verifiable reason for not taking the exam during the scheduled time based on an acceptable reason for absence. Barring a documented emergency, the request must be made a minimum of ten days prior to the scheduled exam. Exceptions are made if the policy conflicts with UF attendance requirements. More detail on acceptable reasons for absence and UF policies on attendance are found at: <https://catalog.ufl.edu/ugrad/current/regulations/info/attendance.aspx>

Attendance: Although attendance may not be taken at every class, students are expected to attend and participate in every class. Students should prepare for all classes even if they miss and are responsible for material covered in their absence. Students may not attend a class unless they are officially registered for the course. The Fisher School of Accounting does not approve requests to audit its courses. Students who do not attend at least one of the first two class meetings of a course or laboratory in which they are registered, and who have not contacted the School to indicate their intent, may be dropped from the course. The instructor adheres to all UF attendance policies.

Honesty: Academic dishonesty will not be tolerated. Students are required to know and comply with the university's policy on academic honesty. This policy is detailed in the Undergraduate Catalog and by reference is included in this course syllabus. For more information visit: <https://www.dso.ufl.edu/sccr/process/student-conduct-honor-code/>

Civility: This course will be conducted in a courteous and professional manner. Inappropriate classroom behavior of any form will not be tolerated. At the instructor's discretion, students acting in an uncivil manner will receive a grade reduction commensurate with the infraction. Students can be withdrawn from the course for excessive unacceptable behavior.

Disabilities: The University of Florida is committed to providing academic accommodations for students with disabilities. Students with disabilities requesting accommodations should first register with the Disability Resource Center (352-392-8565, www.dso.ufl.edu/drc/) by providing appropriate documentation. Once registered, a student should present his/her accommodation letter to the instructor supporting a request for accommodations (this could be a physical letter or attached to an email). If your accommodation regards special testing arrangements, you must then submit an Accommodated Test Request (ATR) online for each exam/quiz. Students with disabilities are encouraged to follow these procedures as early as possible within the semester. If you do not follow the Disability Resource Center procedures or meet the deadline for requesting accommodations or for submitting your ATRs, you will have to take the exam with your class without accommodations.

Evaluation: Students are expected to provide feedback on the quality of instruction in this course based on 10 criteria. These evaluations are conducted online at <https://evaluations.ufl.edu> Evaluations are typically open during the last two or three weeks of the semester, but students will be given specific times when they are open. Summary results of these assessments are available to students at <https://evaluations.ufl.edu/results/>