The Hashemite University
Faculty of Economics and Administrative Science
Department of Accounting
Course Title: Tax Accounting and Sales Taxation
Course No: 1802021421

Course Description:

This course focuses on key concepts and principles in taxation and how these concepts are applied in decision making. The income taxation, taxation of wealth, company taxation, direct and indirect taxation, tax evasion, tax avoidance and tax planning, Sales taxation. The course also explains in detail the theoretical and practical aspects of the income tax law in Jordan through examples and case studies.

Nature of the Course:

This course is focuses on the basic principles of tax and Jordanian Income tax, and concerns with some advanced tax accounting issues. The course commences with the role of tax accounting in building the taxation theory and then a review of tax accounting rules. It covers the income taxation and the incentive to work. It also covers tax evasion & avoidance, tax planning. Thus, this subject has broad appeal and will be of interest to people involved in the preparation or use of tax returns whether as accountants, auditors, investment bankers, financial analysts or other financial statement users.

Main Learning Objectives of the Course:

The objectives of this course are:

1. Introduce the basic theory of taxation in a plain and easily understood manner;
2. Introduce most of the basic terminology, setting out the objectives of taxation and the various ways in which taxes can be classified;
3. Analyze and evaluate the current tax system;
4. Discuss tax avoidance and tax evasion and tax planning;
5. Examining tax morality and the current legal status regarding tax avoidance;
6. Examine the choice of tax base and considers the alternatives available;
7. Examine the basic framework of income tax;
8. Examine the basic charge to corporation tax under the imputation system;
9. Identify differences between pretax financial income and taxable income.

Learning Outcomes of the Course:

At the end of this course, students are expected to be able to demonstrate knowledge and understanding of taxation concepts and compute tax liabilities for incorporated and unincorporated businesses.

Required Text Book	* Abu-Nassar, Mohammad, (2017), *Tax Accounting: Income and Sales Taxation*, 3ed Edition, Dar Wael for Publishing and Distribution, Amman, Jordan. ** Jordanian Income Tax Law No. (34) of (2014).
Supplemental (Recommended) (Optional) Readings	**Reading (1):** Sally Jones, Shelley Rhoades-Catanach and Sandra Callaghan, (2019), *Principles of Taxation for Business and Investment Planning*, 22nd Edition, Available at:https://www.goodreads.com/book/show/26866819-principles-of-taxation-for-business-and-investment-planning. **Reading (2)**: Shirley Dennis-Escoffier and Karen A. Fortin, (2019), *Taxation for Decision Makers*, 2019 Edition, John Wiley, New York, USA.

Assessment Items %:

1. Class Participation, Reports, Assignments, and Quizzes.	20 %
3. First Exam.	20 %
4. Second Exam.	20 %
5. Final Exam.	40 %
Total	100 %

Detailed Outline:

Week	Contents
Week 1	Introduction to taxation: • The objectives of taxation. • The classification of taxes.
Week 2	Income taxation: • Income tax and the incentive to work. • Tax Policy Issues: Standards for a Good Tax.
Week 3	Introduction to income tax: • Outline of the income tax system. • Collection of income tax.
Week 4	Issues in taxation: • Direct Vs indirect taxation. • Tax evasion and avoidance * Tax evasion * Tax avoidance

Week 5	Fundamentals of Tax Planning: • Taxes as Transaction Costs. • The Role of Net Present Value in Decision-Making. • Taxes and Cash Flows. • Structuring Transactions to Reduce Taxes.
Week 6 + Week 7	Basic Maxims of Income Tax Planning: • What Makes Income Tax Planning Possible? * The Entity Variable * The Time Period Variable * The Jurisdiction Variable * The Character Variable • Developing Tax Planning Strategies.
Week 8 + Week 9	The Measurement of Taxable Income: • The Taxable Year. • Methods of Accounting • The Cash Method • The Accrual Method
Week 10	Accounting for income taxes: • Fundamentals of accounting for income taxes. • Accounting for net operating losses. • Financial statement presentation.
Week 11 + Week 12	• Personal taxation and companies taxation. • Capital gain taxes. • Corporation tax. • Payment of tax recovery.
Week 13	• Sales tax principles. • Zero rate and exempted rate. • Penalties and punishments. • How taxes affect the location & structure of investments.
Week 14	**Comprehensive Review for the topics of the Course**
Week 15	**More Examples and Case Studies about the details of the theoretical and practical aspects of the income tax law and sales tax applications in Jordan**
Week 16	**Final Exam**