



Assessment Details and Submission Guidelines	
Trimester	T2 2019
Unit Code	HA3042
Unit Title	Taxation Law
Assessment Type	Assignment
Assessment Title	Individual Assignment
Purpose of the assessment (with ULO Mapping)	<p>Students are required to follow the instructions by your lecturer to confirm any relevant information. You also need to follow any relevant announcement on Blackboard to confirm the due date and time of the assignment.</p> <p>The individual assignment will assess students on the following learning outcomes:</p> <ol style="list-style-type: none"> 1. Practical skills and knowledge of tax law concepts (ULO 1). 2. Ability to analyse tax law issues (ULO 2). 3. Ability to apply legal tax principles (ULO 3).
Weight	This assignment task accounts for 20 % of total marks in this unit.
Total Marks	This assignment task accounts for 20 marks of total marks in this unit.
Word limit	Max 2000 words (acceptable to be 10% above or below this word limit)
Due Date	Refer to the Unit Outline, as Normal Mode & Block Mode have different due dates.
Submission Guidelines	<ul style="list-style-type: none"> • Answer all questions. • This assignment along with a completed <u>Assignment Cover Page</u> is to be submitted on Blackboard by the due date in soft-copy only (via Safe assign – Blackboard). • The assignment is to be submitted in accordance with assessment policy stated in the Subject Outline and Student Handbook. • It is the responsibility of the student submitting the work to ensure that the work is in fact his/her own work. Incorporating another’s work or ideas into one’s own work without appropriate acknowledgement is an academic offence. Students should submit all assignments for plagiarism checking (Via SafeAssign) on Blackboard before final submission in the subject. For further details, please refer to the Unit Outline and Student Handbook. • The assignment must be in MS Word format, no spacing, 12-pt Arial font and 2 cm margins on all four sides of your page with appropriate section headings and page numbers. • Reference sources must be cited in the text of the report, and listed

	<p>appropriately at the end in a reference list using Harvard referencing style. You also must refer to relevant legislation and/or case law in your answer. Reference sources must be cited in the text of the report, and listed appropriately at the end in a reference list using Harvard referencing style.</p> <ul style="list-style-type: none"> • For further details, please refer to the Subject Outline and Student Handbook. • Note: Assessment task is set around the work that you have done in class. You are not expected to go outside the content of the unit but you are expected to explore it.
--	--

Individual Assignment Specifications

Purpose:

This assignment aims at assessing students on the Learning Outcome from 1 to 3 as mentioned above.

Assignment Structure should be as the following:

Question 1: Capital Gains Tax	Weighting
A. The capital gain in relation to the family home	2 Marks
B. Capital gain or loss made from the car	1 Mark
C. The capital gain in relation to the sale of the business	3 Marks
D. The capital gain in relation to selling the furniture	2 Marks
E. The capital gain in relation to selling the paintings	2 Marks
QUESTION 1 TOTAL MARKS:	10 MARKS
Question 2: Capital Allowance	Weighting
Issue: Identify and discuss the problem.	1 Mark
Law and Application: Discussion of the first element of the cost of the CNC machine. Set out the legal principles that will be used to address the problem. Source legal principles from cases and legislation.	3 Marks
Law and Application: Discussion of the second element of the asset's cost, i.e. the start time for calculating the decline in the value of the CNC machine. Set out the legal principles that will be used to address the problem. Source legal principles from cases and legislation.	3 Marks
Concluding discussions: Concluding discussions regarding the exact start time of holding the CNC machine for depreciation purposes, and the total cost of the machine. Set out the legal principles that will be used to address the problem. Source legal principles from cases and legislation.	2 Marks
Conclusion: Stand back and play 'the judge.' Choose the argument and conclusions you think is the strongest and articulate what you believe to be the appropriate answer.	1 Mark
QUESTION 2 TOTAL MARKS:	10 MARKS

Assignments' Instructions and Requirements

QUESTION 1

(10 MARKS)

Jasmine is an Australian resident. She is 65 years old and born in the UK, is now selling her Australian assets as she is retiring from her business as a cleaner and going back to the UK. Jasmine is selling the following assets:

- A. Jasmine's home was purchased in 1981 for \$40,000 and now worth \$650,000. This home was Jasmine's main residence since she purchased the house.
- B. Jasmine purchased a car in 2011 for \$31,000 and is now worth around \$10,000.
- C. Jasmine commenced her 'small cleaning business' herself and now found a buyer to take over the cleaning business for \$125,000. The sale price includes \$65,000 for all of the business equipment, which cost \$75,000, and \$60,000 for goodwill.
- D. Jasmine is also selling her furniture for \$5,000. No single item offered for sale cost more than \$2,000.
- E. Jasmine has several paintings and is now selling them all for \$35,000. All of her paintings were purchased in second hand shops or markets and no single painting cost more than \$500. The one exception was a painting she purchased direct from an artist for \$1,000. This painting is being sold for \$5,000.

Advise Jasmine of the CGT consequences of the above sales. Include relevant legislative references to support your answer.

QUESTION 2

(10 MARKS)

John owns a motor vehicle parts and accessories manufacturing company. The business produces certified BMW parts. John purchased an industrial computer numerical control (CNC) machine imported from Germany on 1 November 2014 for \$300,000. John visited the CNC factory to inspect the CNC machines and place his order. The only reason for his visit to Germany was to purchase the CNC machine. The trip to Germany cost John \$12,000. The CNC machine needed to be installed by specialists and bolted to his factory floor. The installation of the CNC machine was completed on 15 January at a cost of \$25,000. Once the CNC machine was installed and John started using the CNC machine he discovered that the CNC machine required an additional guiding rod to make it more effective. This guiding rod was installed on 1 February at a cost of \$5,000. Calculate the cost of the CNC machine for the purpose of calculating the capital allowance. What is the

start time for calculating the decline in value of the asset? Include relevant legislative references to support your answer.

Assignment Structure should be as the following (students' responses involves calculations, and students must refer to the relevant legislation and cases whenever required according to the questions).

For question 1, address the following elements:

A. The capital gain in relation to the family home
B. Capital gain or loss made from the car
C. The capital gain in relation to the sale of the business
D. The capital gain in relation to selling the furniture
E. The capital gain in relation to selling the paintings

For question 2, address the following parts:

Issue: Identify and discuss the problem.
Law and Application: Discussion of the first element of the cost of the CNC machine. Set out the legal principles that will be used to address the problem. Source legal principles from cases and legislation.
Law and Application: Discussion of the second element of the asset's cost, i.e. the start time for calculating the decline in the value of the CNC machine. Set out the legal principles that will be used to address the problem. Source legal principles from cases and legislation.
Law and Application: Concluding discussions regarding the exact start time of holding the CNC machine for depreciation purposes, and the total cost of the machine. Set out the legal principles that will be used to address the problem. Source legal principles from cases and legislation.
Conclusion: Stand back and play 'the judge.' Choose the argument and conclusions you think is the strongest and articulate what you believe to be the appropriate answer.

Marking criteria

Marking criteria	Weighting
<i>For Question 1, students need to answer the following elements correctly:</i>	
A. The capital gain in relation to the family home	2 Marks
B. Capital gain or loss made from the car	1 Mark
C. The capital gain in relation to the sale of the business	3 Marks
D. The capital gain in relation to selling the furniture	2 Marks
E. The capital gain in relation to selling the paintings	2 Marks
Question 1 Weight	10 MARKS
Issue: Identify and discuss the problem.	1 Mark
Law and Application: Discussion of the first element of the cost of the CNC machine. Set out the legal principles that will be used to address the problem. Source legal principles from cases and legislation.	3 Marks
Law and Application: Discussion of the second element of the asset's cost, i.e. the start time for calculating the decline in the value of the CNC machine. Set out the legal principles that will be used to address the	3 Marks

problem. Source legal principles from cases and legislation.	
Law and Application: Concluding discussions regarding the exact start time of holding the CNC machine for depreciation purposes, and the total cost of the machine. Set out the legal principles that will be used to address the problem. Source legal principles from cases and legislation.	2 Marks
Conclusion: Stand back and play 'the judge.' Choose the argument and conclusions you think is the strongest and articulate what you believe to be the appropriate answer.	1 Mark
Question 2 Weight	10 MARKS
TOTLA WEIGHT:	20 MARKS

Marking Rubric

	Excellent	Very Good	Good	Satisfactory	Unsatisfactory	Marks Allocation
For Question 1, students need to answer the following elements correctly						
<i>The capital gain in relation to the family home.</i>	Student knows how to use the ITAA 1997, know how to apply the law in a real scenario and understand the different CGT consequences in relation to the family home.	Very good identification of the CGT consequences of the family home and discussion of the issues.	Majority of relevant issues identified and discussed in relation to the family home.	The area of CGT law is correctly identified but the statement does not clearly describe the legal problem/s and conclusions that need to be addressed in relation to the family home.	The relevant area of law in relation to the family home is not identified.	2 Marks
<i>Capital gain or loss made from the car.</i>	All relevant CGT legal principles in relation to the gain or loss made from the car are clearly explained and their correct source of authority is given.	All or most of the relevant CGT legal principles in relation to the gain or loss made from the car are explained and their correct source of	Most of the relevant CGT legal principles in relation to the gain or loss made from the car are explained and their correct source of authority is	Some identification of relevant CGT legal principles in relation to the gain or loss made from the car but the correct source of authority	No relevant legal principles in relation to the gain or loss made from the car have been identified.	1 Mark

		authority is given.	given.	(section of Act or relevant case) has not been cited.		
<i>The capital gain in relation to the sale of the business.</i>	The discussion is a clear and comprehensive analysis of the relevant CGT legal principles in relation to the sale of the business is given.	Very good discussion and analysis of the relevant CGT legal principles in relation to the sale of the business and their application to the facts to support logical arguments given.	Good discussion and analysis of the relevant CGT legal principles in relation to the sale of the business and their application to the facts to support logical arguments given.	The discussion considers some of the relevant legal principles but does not apply those principles to the key facts to support logical arguments in relation to the sale of the business.	The discussion of the facts does not refer to any relevant capital gain legal principles in relation to the sale of the business.	3 Marks
<i>The capital gain in relation to selling the furniture.</i>	All relevant CGT legal principles in relation to selling the furniture are clearly explained and their correct source of authority is given.	All or most of the relevant CGT legal principles in relation to selling the furniture are explained and their correct source of authority is given.	Most of the relevant CGT legal principles in relation to selling the furniture are explained and their correct source of authority is given.	Some identification of relevant CGT legal principles in relation to selling the furniture, but the correct source of authority (section of Act or relevant case) has not been cited.	No relevant legal principles in relation to selling the furniture have been identified.	2 Marks
<i>The capital gain in relation to</i>	Student knows how to use the ITAA 1997 in	Very good identification of the CGT	Majority of relevant issues identified	The area of CGT law in relation to selling	The relevant area of law in relation	2 Marks

<i>selling the paintings.</i>	relation to selling the paintings, and know how to apply the law in a real scenario and understand the different CGT consequences in relation to selling the paintings.	consequences in relation to selling the paintings and discussion of the issues.	and discussed in relation to selling the paintings.	the paintings is correctly identified but the statement does not clearly describe the legal problem/s and conclusions that need to be addressed.	to selling the paintings is not identified.	
For Question 2, students need to answer the following parts correctly						
<i>Identify and discuss the problem.</i>	The area of law and the legal problem/s regarding the CNC machine that needs to be addressed are identified and completely described.	Very good identification and discussion regarding the elements of the cost of the CNC machine.	Majority of relevant issues regarding the element of the cost of the CNC machine identified and discussed.	The area of law is correctly identified but the statement does not clearly describe the legal problem/s regarding the first element of the cost of the CNC machine that need to be addressed.	The relevant area of law regarding the given capital allowance question is not identified.	1 Mark
<i>Law and Application: The first element of the cost of the CNC machine.</i>	All relevant legal principles regarding the element of the cost of the CNC machine are clearly explained and their correct source of authority is given.	All or most of the relevant legal principles regarding the element of the cost of the CNC machine are explained and their correct source of	Most of the relevant legal principles regarding the first element of the cost of the CNC machine are explained and their correct source of	Some identification of relevant legal principles regarding the first element of the cost of the CNC machine, but the correct source of	No relevant legal principles regarding the given capital allowance question have been identified	3 Marks

		authority is given.	authority is given.	authority (section of Act or relevant case) has not been cited.		
<i>Law and Application: The second element of the asset's cost.</i>	The discussion is a clear and comprehensive analysis of the relevant legal principles regarding the element of the cost of the CNC machine and their application to the facts to support logical arguments about how the issue/s will be resolved.	Very good discussion and analysis of the relevant legal principles regarding the element of the cost of the CNC machine and their application to the facts to support logical arguments about how the issue/s will be resolved.	Good discussion and analysis of the relevant legal principles regarding the element of the cost of the CNC machine and their application to the facts to support logical arguments about how the issue/s will be resolved.	The discussion considers some of the relevant legal principles but does not apply those principles to the key facts to support logical arguments about how the issue/s will be resolved.	The discussion of the facts does not refer to any relevant legal principles regarding the given capital allowance question.	3 Marks
<i>Concluding discussions regarding the exact start time of holding the CNC machine, and the total cost of the machine.</i>	The discussion regarding the exact start time of holding the CNC machine, and the total cost of the machine are very well supported by arguments in this section and clearly explains how those arguments address the	Very good discussion regarding the exact start time of holding the CNC machine, and the total cost of the machine in this section are clearly explained.	Good argument and discussion, which is supported by most of the arguments, but the explanation of how those arguments address the issue is not clear or is incomplete.	The argument in this part is supported by some of the relevant law, but does not explain how they address the issue.	Concluding discussion regarding the given capital allowance question is missing and is not supported.	2 Marks

	question.					
<i>The conclusion that is very well supported by arguments and clearly explains how those arguments address the issue/s.</i>	The conclusion is very well supported by arguments in the application section and clearly explains how those arguments address the given capital allowance question.	Very good conclusion regarding the given capital allowance question, which is supported by arguments in the application section and clearly explains how those arguments address the given capital allowance question.	The conclusion is supported by most of the arguments but the explanation of how those arguments address the issue/s is not clear or is incomplete .	The conclusion is supported by some of the arguments but does not explain how they address the given capital allowance scenario.	The conclusion is not stated or is not supported.	1 Mark