

**HISTORY OF TEACHING OF TAXATION AND
ASSOCIATED MATTERS**

**BEING PAPER 2 OF THE PROFESSORIAL DIPLOMATE
PROGRAMME OF ST CLEMENTS INSTITUTE**

PRESENTED BY

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TABLE OF CONTENT	PAGES
1. PREFACE	iii
2. CHAPTER ONE: INTRODUCTION/BACKGROUND	1-6
3. TWO: EVOLUTION OF TAX TRAINING BY PROFESSIONAL INSTITUTIONS IN ACCOUNTANCY AND TAXATION	7-41
4. THREE: TRAINING IN TAXATION BY TERTIARY INSTITUTIONS	42-53
5. FOUR: SUMMARY OF FINDINGS FROM THE WORK	54-56
6. REFERENCES AND END NOTES	57-59

PREFACE

This paper is one in the series of research work to be undertaken as part of the fulfilment for the completion of the Professorial Diplome Programme of St Clement Institute.

A critical issue about the work is that research in the field of tax and taxation has the unique challenge of information (and data) in the area being held in some level of confidentiality and secrecy by Bodies and Institutions involved. There is this zero-sum-game going on between the Tax Authorities and the Taxpayers on the one hand, and between the Accountancy and Tax Professional Bodies, and the Tax Authorities on the other. The zero-sum-game is in the pursuit of protection of clients against the drive for tax revenue maximisation by Tax Authorities.

The peculiar nature of the field of taxation resulted in a limitation of information being restricted to those in the public domain. This is more so due to space, distance and time. However, it is well known that strategies for tax training are matters for use in gaining competitive edge. As such, it is suspected that the elements that are classified may be circulated for internal use through the intranet and other internal means of communication, so as not to expose strategies.

Consequently, the method adopted in the research was to harvest information on tax/taxation training from as many sources as possible for purposes of complementarity, filling of gaps and therefore to ensure near completeness of information.

I use this opportunity to express my gratitude to Dr David Le Cornu, the President of St Clement University and the Faculty Supervisor for the Diplome Programme of St Clements's Institute, for the guidance he provided to me.

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CHAPTER ONE

INTRODUCTION/BACGROUND:

The history of the teaching of taxation will be better appreciated by tracing the origin of tax and the development of tax administration and taxation. The essence is to get to the root of ordinarily technical, administrative, legal and issues of logistics that arose in the course of the evolution of the imposition and collection of tax. The idea is that the handling of these issues may have led to the collation of a basket(kit) of necessary rudimentary knowledge required in the field. Therefore, what is known today as professional and academic knowledge in taxation and teaching thereof may have evolved as synthesis of rudimentary knowledge and practices along the line.

Regarding the issues behind the subject matter of this paper, tax, it is defined as involuntary fee levied on corporations and individuals that is enforced by a level of government in order to fund its activities.ⁱ Another way to look at tax and taxation is to say that it is the means by which the state obtains the revenue required to finance its activities.ⁱⁱ

In terms of etymology the word tax was derived from the latin word 'taxare', meaning to assess(assessment).ⁱⁱⁱ. Up to this moment, to assess (or assessment) is one of the means of tax administration. The implication is that the method of assessment must be one of the key components in the teaching of taxation.

In the course of the evolution of man and the society, the interrelationship required brought about the emergence of leaders of various groups. The leaders included community heads, chiefs,

emperors and kings. These groups of leaders eventually took upon themselves the roles of imposition of tax and the supervision of its administration, for the benefits of the group and society. In medieval England the kings imposed export taxes on wool(in 1203), wine(in 1275), poor law tax(in1572).^{iv} However, in June 1628 the Parliament of England passed the **Petition of Right** which prevented the King from the use of taxes without the approval of Parliament.^vThe Petition of Right had the purpose of preventing arbitrary imposition of tax^{vi} without the consent of Parliament. Thus, the enforcement of Acts(laws) of Parliament became part of the requirements of taxation. The application of law consequently became an aspect of the teaching of taxation right from the early history of taxation.

The Petition of Right is comparable to the 'no taxation without representation' protest against the British Empire in the American colonies.^{vii}At that time, colonists made a case that taxes should not be imposed on them except they had representatives in the all British Parliament that made the laws that imposed taxes. It is recalled that the Petition of Right of 1628 was successful in England. The 'no taxation without representation' protest was part of the trigger of the American Revolution of 1765-1783.^{viii}The lesson is that tax must be backed by law and the law must be made by Parliament, the representatives of the people. The need for legislative studies and interpretation of laws imposing tax emerged early in history.

The need to ensure tax revenue maximization in early history necessitated the development of audit strategy and other methods of stewardship. In Egypt, the audit of cooking oil was carried out weekly to ensure that there was no avoidance of consumption of oil or the use of its substitute with a view to reducing tax payable thereon.^{ix}In China, as

early as 1500 years before the birth of Christ(BC),people were taxed according to the plots of land they owned. Part of the plots of land could be used to pay taxes due.^x This is the origin for the development of proportionality, calculations and mathematics in the course of determining an assessment of tax due. This became part of the teaching of taxation. In some cases, soldiers were used to enforce payment of tax in China.^{xi} The matter of tax enforcement has survived till date, through actions in courts of law, although it is now preceded by taxpayer enablement.

1.1 The Relationship Between Economics and Taxation

In pursuance of the tracing of the evolution of taxation and the consequential way it was and is taught, the landmark may be taken from the time of the “father” of modern economics, Adam Smith. In his famous book, “the Wealth of Nations; An Inquiry into the Nature and Causes of the Wealth of Nations”^{xii}, Adam Smith(1776) propounded four principles of taxation namely, equity, certainty, convenience and economy.^{xiii} In his theory of the ‘invisible hand’, he discouraged government from intervening in economic activities except as a result of imperfect competition. According to Adam Smith, government can only intervene through taxation, tax policies and legislation on tax laws.^{xiv} Later, Economists such as J.S. Mill and J.B. Say propounded other principles of taxation in addition to those of Adam Smith.^{xv} They are simplicity, flexibility, impartiality and fiscal adequacy.

In addition to the initial principles of taxation propounded by Adam Smith, J.S. Mill and J.B. Say, multilateral institutions and political economists made additions aimed at improving the tax system namely,

self-assessment tax system, promotion of voluntary compliance, risk management in tax administration, suitable organization structure, segmentation of taxpayers^{xvi}, ability-to-pay(an age long equity based principle being reemphasised)^{xvii} and benefits principles^{xviii}. All of these principles have come to be embedded in the teachings of taxation.

1.2 The Relationship Between Taxation and Accountancy

In many Commonwealth countries, the teaching of taxation appears to have been integrated with accountancy until recently. The reason may be consequential of the needs and requirements of field audit and clientele services.

Way back 2600 BC, in Babylon, the art of bookkeeping evolved, as a record-keeping aspect of accounting, to keep a trail of business transactions.^{xix} This medieval practice developed to modern day accounting, in response to trade and commerce.^{xx} By the time of the industrial revolution in Britain, the need arose for the use of improved accounting techniques to handle growing financial transactions . The accounting services later became professionalised so as to meet the needs of investors, who may not have been part of day-to-day running of businesses. This was because the upswing of business activities during the industrial revolution in Britain, in the middle of the 19th century, led to the growth of limited liability companies and large scale manufacturing. The consequence was the high demand for more proficient and independent accountants capable of handling complex transactions, taking into consideration latest developments in legislation. These developments included taxes that may be imposed on the limited liability companies and business owners. This brought about the professionalization of accountancy. The rise in the number of accountants and the proliferation of accountancy bodies, at that time,

was a cause to worry about. A compelling need for registration and charter of accountancy bodies by Parliament, with a view to weeding off incompetent ones, therefore arose. This led to Charter of the first Accountancy Body in Scotland in the 19th century. The fact of government's intervention in business through taxation, in accordance with the theories of Adam Smith, brought about a link between accountancy and taxation. Taxation was taught as part of the accountancy in order to fulfil professional requirements right from the founding of the accountancy profession, at the advent of the industrial revolution in Britain. The integration of taxation into accountancy enabled the accountants to give advice on tax implications of business transactions to business owners and government.

1.3 Chapter Conclusion

From the origin of tax, the need arose as to the manner of its assessment especially, with regard to the issue of proportionality of income, property, products, etc., with respect to tax payable. This gave rise to the need for calculations and computations. To ensure that the burden of tax was not disproportionate and that the proceeds were not misused by those that imposed the tax, the people and their representatives, the legislatures, insisted that the imposition of tax must be backed by law. This happened right from early history. Consequently, tax became dependent on law. Therefore, the teaching of the legal justification of tax is still part of the teachings in taxation till date.

The application of law therefore has remained an important issue in taxation. It is noted that the matter of tax implication of law was part of the conditions required for the qualification of chartered accountants in

early history. As a guarantee that the right amount of tax was assessed and paid, the audit process was introduced in ancient Egypt, while the Chinese introduced the use of soldiers to enforce payment of tax.

On the whole, from the time of development of theories and principles of taxation, the intervention of government in business through taxation was designed to be guided by tax policies. This chapter conclusion therefore has been written in a manner that constitutes an overview of the requirements for the teaching of taxation and the way it has been taught as shown in subsequent chapters.

CHAPTER TWO

THE EVOLUTION OF TRAINING IN and TEACHING of TAXATION by ACCOUNTANCY and TAX PROFESSIONAL BODIES/INSTITUTES.

As noted in the conclusion to chapter one,1.3, the high demand for proficient Accountants was triggered by the emergence and growth of limited liability companies and large scale manufacturing. The Accountants were expected, among others, to handle the legal implications of complex transactions with respect to tax. The Accountants applied to Parliament to be registered and/or chartered in order to ensure that only competent, reliable and trust worthy persons were allowed to practice in the profession. Thus, from the inception of the Institute of Chartered Accountants in the United Kingdom, tax issues especially the implications of legislation formed part of the main requirements for licensing of a Chartered Accountant. This was because they needed to meet the needs of their clients on the one hand and government on the other.

In the light of the above, I will do a review of the teaching of taxation by selected Bodies of Chartered Accountants and Tax Professional Institutes.

2.1.1 Accountancy Professional Bodies in the United Kingdom

(a) The Association of Chartered and Certified Accountants(ACCA)

The Body was founded in 1904.^{xxi}The process to qualify as a member included three years supervised practical experience and examination. There are(were) a total of fourteen examination divided into two streams,^{xxii} foundation and professional levels;

(i) Foundation

There are nine examinations *only one of which is taxation*.

(ii) Professional Level

There (were)are five courses, for now, three are compulsory. The compulsory examinations do not include taxation. However, the remaining two optional examination includes advanced taxation.

ACCA full professional qualification is regarded as equivalent of taught United Kingdom(UK) Master's degree. Taxation is one of the seven subjects offered. The full professional qualification is recognised by UK Education Department.

(b) The Association of Chartered Accountants in England and Wales

The Association of Chartered Accountants of England and Wales(ICAEW)^{xxiii} manages its qualifying examination at three levels;

- (i) Foundation; fundamentals of accounts, financial and business management;
- (ii) Professional level; there are six examinations including tax compliance; and
- (iii) Advanced level; there are three examinations which do not include taxation.

There are registered tuition houses that prepare students for examination in taxation including personal tax, employment tax, National insurance, business income tax, corporation tax, capital gains tax, and inheritance tax.

2.1.2 Accountancy Professional in United States of America(US)

The American Institute of Certified Public Accountants(AICPA) is the main accountancy body. It was founded in 1896.^{xxiv} It prepares members to become Certified Public Accountants(CPA). The qualifying examinations are set by AICPA but are administered by the National Association of States Boards of Accountancy(NASBA).

The minimum standard requirement is 150 semester units of college(university) education, and one year of accounting practice. Before 1994, four new subject areas were covered namely, auditing, business law, accounting theory and accounting practice. From 1994 the examinations and tuitions are organised around the following;

- Business law and professional responsibility;
- Auditing;
- Accounting and reporting- made up of taxation, managerial, and government, and not-for-profit organisations; and
- Financial accounting and reporting-business enterprise.

The general competencies required of a CPA are;

- ✓ Corporate law;
- ✓ Taxation;
- ✓ Auditing;
- ✓ Finance;
- ✓ Insolvency management;
- ✓ Mathematics;
- ✓ Analytical skills; and
- ✓ Critical thinking.

On the other hand, the minimum education requirement is a bachelor degree. The CPA is popular in some Asian countries.

2.1.3 Accountancy Profession in Malaysia

The Malaysia Institute of Certified Public Accountants offers courses in taxation as part of requirements for qualification as CPA. Through its public education programme, it gives public lectures on corporate tax planning, tax audit and withholding tax administration.^{xxv}

2.1.4 Accountancy Profession in India

Two main bodies of associations of chartered accountants in India are the Certified Public Accountants(CPA) of India and Institute of Chartered Accountants of India (founded in 1949).

(a) Certified Public Accountants

The examination syllabus for CPA has four sections namely (i) Auditing and Attestation, (ii) Financial Accounting and Reporting, (iii) Regulations (which includes Individual Income Tax, Income Tax Returns, Corporate Income Tax Return), and (iv) Business Environmental Concepts.^{xxvi}

Students are prepared for the examinations through class lectures and practical audit training.

(b) Institute of Chartered Accountants of India

There are two levels of examination for direct entry candidates;

(i) Intermediate

Taxation is one of the four papers (paper four)

(ii) Final

There are a total of eight papers. Paper 7 is direct tax laws and international tax, while paper 8 is indirect tax laws.

Part of the requirements for examination and licensing include lectures and three years of practical training for graduates of Commerce and post-graduate candidates.^{xxvii}

2.1.5 Accountancy Bodies in Nigeria

The Institute of Chartered Accountants of Nigeria(ICAN) and the Association of National Accountants of Nigeria(ANAN) are the main Chartered Accountancy Bodies. Their methods of preparing students for certification are similar to those of other countries especially in the use of tuition houses and study packs. The course contents are also similar. This section of the paper will limit discussion to tax areas in their certification processes. However, it is noted that taxation is treated as an integral part of accountancy.

2.1.5.1 Institute of Chartered Accountants of Nigeria(ICAN)

The tax areas covered by ICAN include (i) introduction and tax administration, (ii) personal income tax, (iii) business income, and (iv) international transactions.

(a)Introduction and tax administration

(i)Defining, listing and explaining the objectives and purposes of taxation;

(ii)Basic concepts of taxation such as tax base, tax yield, tax rate, incidence of tax, tax burden, impact of tax, tax shift and tax effect;

(iii)Types of taxes and tax systems;

(iv)The difference between tax and other levies;

(v)Principles and canons of taxation;

(vi)Tax types, enabling laws and sources of tax laws;

- (vii) Tax jurisdiction; roles and functions of various tax authorities;
- (viii) Imposition of tax; assessment, objections and remittances;
- (b) Personal Income Tax
 - (i) Definitions of employment, contract of service and contract for service;
 - (ii) Types of employment (local and foreign);
 - (ii) Definitions of employment, vocation and profession;
- © Taxation of trusts, settlements and establishments;
- (d) Taxation of investment income;
- (e) Taxation of business income, sole traders, partnership and limited liability companies; and
- (f) Taxation of specialized businesses; real estate and agriculture, transport and communication.

2.1.5.2 Association of National Accountants of Nigeria

The Association of National Accountants of Nigeria (ANAN) in one of its statements notes that its aim in taxation lectures and examinations is to ensure that students develop an understanding of the principles and practice of taxation. ANAN expects the knowledge to be applied in the calculation of tax liabilities and identification of tax saving measures and to resolve practical taxation problems.

The learning objectives of ANAN include;

- ❖ Classifying and correctly assessing income for taxation;
- ❖ Preparing income tax computations and capital gains tax computations for individuals and companies;

- ❖ To describe the operations of value added tax (VAT) and to prepare VAT tax returns;
- ❖ To establish familiarity with petroleum profits tax administration;
- ❖ To carry out research into the appropriate tax legislations and apply them, as appropriate, to basic tax problems and scenarios;
- ❖ To analyse the tax implications of international transactions of a variety of types;
- ❖ To identify and resolve ethical issues and dilemma arising in tax practice; and
- ❖ To identify when it is appropriate to refer tax matters to tax specialists.

Topics covered by ANAN qualifying examinations:

1. Purpose and administration of taxation;
 - History of development of taxation in Nigeria.
 - Tax legislation.
 - Registration and collection of various taxes, assessments and appeals.
 - Interpretation of tax laws using decided cases.
2. General principles of taxation
 - ✓ Companies income tax, personal income tax, basis of assessment, commencement and assessment provisions, cessation/change in accounting date, and capital allowances computations,
 - ✓ International transactions; and
 - ✓ Tax distortions under inflationary conditions
- 3 Petroleum Profits Tax Act
 - Definition of assessable profit and chargeable profits;

- Treatment of losses;
 - Application of Group and Consolidated Companies and Joint Venture operations;
 - Taxation of income from abroad;
 - Understanding double taxation agreements;
 - Deferred taxation;
 - Mergers and acquisitions;
 - Memorandum of understanding;
 - Gas incentives; objectives and use; and
 - Tax implications of joint venture contracts.
4. Capital allowances and their computations.
 5. Loss relief, capital gains tax, and value added tax.
 6. Taxation of estates, trusts and settlements.
 7. Taxation of specialised companies and transactions;
 - Air and sea.
 - Insurance (local and foreign).
 - Banks.
 - Unit trusts.
 - Gambling, betting and lottery.
 8. Pioneer companies (companies on tax holidays).
 9. Stamp duties.
 10. Tax audit and investigation.
 11. Tax practices.

2.1.6. The Canadian Institute of Chartered Accountants

The Canadian Institute of Chartered Accountants of Canada(CICA) was incorporated in 1902. It developed and supported accounting, auditing and assurance standards for organisations in Canada. It merged with other Canadian Institutions, in 2014, to form the Chartered Professional Accountants of Canada.^{xxviii}

Way back, it required twenty-eight (28) to thirty-six (36) months of practical experience with a public accounting firm or an approved chartered accountants training office as part of conditions for qualification as a member. The other(additional) condition is a pass grade in the Uniform Evaluation examination held all over Canada. The examination has two segments. There was no taxation examination in the first stream while taxation governance was one of the papers examined in the second stream.

With effect from 2011, the following qualification criteria were put in place:

- Entry qualification of first degree;
- Specified university courses or their equivalent;
- Completion of professional pre-qualification programme;
- Prescribed practical experience with approved training office; and
- A passing grade in the Uniform Evaluation(UE) examination mentioned above.

2.1.6.2 Certified Public Accountants of Canada

The Chartered Institute of Certified Public Accountants in Canada prepares students for the award of Certified Public Accountant(CPA). The certificate programme includes education and common final examination.^{xxix} .

Other issues are the technical competencies;

- ✓ Advanced financial reporting;
- ✓ Management accounting;
- ✓ Strategy and governance;
- ✓ Auditing and assurance;
- ✓ Finance; and
- ✓ Taxation.

Advanced financial reporting and management accounting are key and compulsory subjects. *The implication is that taxation is not compulsory.*

In addition to getting its students certified, the Chartered Institute of Certified Public Accountants in Canada intervenes in tax education through seminars and public forums. An example is the one held on March 12, 2018, on 2018 budget; 'Taxation of Private Corporations'. The issues below were discussed;

- Limiting access to small business tax rate;
- Refundability of taxes on investment income;
- A case for fair, simple and competitive taxation: The way forward; and
- Need to undertake a comprehensive tax review.

The recommendations that emerged included;

- Simplicity: A simpler and more efficient tax that would assist taxpayers with compliance and that will improve fairness and increase tax revenue collection;
- Efficient; Not by making ad hoc changes to long-standing tax structure that may increase tax and administrative cost of running business;
- Need for a review with a view to improving efficiency, fairness and competitiveness; and

- Need for more consultation before making tax policy changes.

2.1.7 Chartered Accountants in Australia and New Zealand

The Chartered Accountants Australia and New Zealand is the operating name for Institute of Chartered Accountants in Australia and New Zealand.^{xxx} It prepares its members to work in all fields of business and finance including audit, taxation, finance and general administration.

The pathway to being a member of the Institute of Chartered of Australia and New Zealand is accounting academic and experience.^{xxxi} . Specifically, the qualification in accounting or related subjects should be at Master's and Doctorate degree levels; employed at lecturer level or above. In addition, the Institute, through Tax in Focus, as an example, the one held on 13/12/2017, offers a wide range of tax courses to educate professionals on essential tax updates and special tax topics. The topics include taxation, audit and assurance, financial accounting and reporting, and management accounting and applied finance.

In terms of the taxation aspects, the following areas are covered;

- ✓ Gaining essential knowledge and skills to provide tax services and advice to clients in their businesses;
- ✓ Developing new techniques and professional skill through exposure to a diverse range of practical, complex tax issues;
- ✓ Growing confidence in advising big companies and individuals on how to effectively manage their tax affairs; and
- ✓ Working towards graduate diploma of Chartered Accountant.

Developing the skills to drive business success (the tax module examination covers);

- ✓ Tax fundamentals;
- ✓ Trading stock;
- ✓ Employment remunerations;
- ✓ Capital Gains Tax (Australian model only);
- ✓ Tax issues;
- ✓ International tax; and
- ✓ Tax planning.

Course structure-one of the five modules of Chartered Accountants.
 Programme-Tax modules; Australia

- ✓ Research on taxation related issues including sources of tax laws and key issues;
- ✓ Defining the principles of assessable income and identifying the difference between revenue and capital receipts as well between ordinary, statutory and exempt income, and demonstrating awareness of timing issues;
- ✓ Defining the principles of allowable deductions and identifying the difference between revenue and capital outgoings and between general and specific deductions with an awareness of timing issues;
- ✓ Understanding the taxation implications of individuals, companies, trusts, partnerships and superannuation funds;
- ✓ Describing the administration of taxation in Australia, which includes issues regarding determining the residency of taxpayers and the consequences of tax avoidance or tax evasion;
- ✓ Explaining the nature and incidence of fringe benefits tax(FBT);
- ✓ Explaining the nature and incidence of capital gains tax(CGT); and
- ✓ Explaining the nature and incidence of goods and services tax(GST).

2.1.8 South African Institute of Chartered Accountants

To be a member of the South African Institute of Chartered Accountants(SAICA) a candidate has to possess a Bachelor of Commerce in Accounting degree or an equivalent Chartered Accountants (South Africa) undergraduate qualification at accredited University.^{xxxii} Armed with either of these qualifications the student is expected to pursue a certificate course in the Theory of Accounting(CTA). The components of the course include accounting, auditing, taxation and financial management. The CTA takes a minimum of one year to complete and must be completed in a SAICA accredited university. This is followed by a three- year learnership programme with a Registered Training Office(RTO) or an approved training office(ATO).

There is also the South Africa Institute of Professional Accountants.^{xxxiii}The requirements for qualification include:

Academic: Degree with a major in financial accounting and with taxation, management accounting, auditing and commercial law;

Practical training or experience: The programme is run for at least three years under SAIPA recognised leadership or six years' relevant verifiable experience;

SAIPA professional evaluation: Three hours of examination will be held. It will cover financial accounting, auditing, taxation, commercial law, management accounting and practice, and management.

Another Chartered Accountants body in South Africa is the South African Institute of Chartered Accountants. It is run at provincial level.^{xxxiv}One of its programmes that includes taxation is the Enterprisation. It was established in 2013 with a view to resolving key challenges. Amongst its objectives is promoting the establishment of small and medium scale

enterprises(SMEs) and stimulating entrepreneurship. The content of the taxation segment of the programme is given below;

- ✓ Provisional business tax returns,
- ✓ Value added tax returns;
- ✓ Annual income tax returns; and
- ✓ Pay-as-you-earn(PAYE), 'UIF','SDL' returns to South Africa Revenue Authority(SARS).

2.1.9 Institute of Chartered Accountants of Ghana

The Institute of Chartered Accountants of Ghana introduced a new syllabus in 2015.It is recalled that Ghana was part of British-West Africa administration. The details of the syllabus are highlighted below especially the taxation elements:

Level 1: Knowledge

- Financial management;
- Business management and information system;
- Business and corporate law; and
- Quantitative tools in business.

Level 2: Application level

- Financial reporting;
- Management accounting;
- Audit and assurance;
- Financial management; and
- Public sector accounting and finance.

Level 3: Professional level

- Corporate reporting;
- Advanced auditing and assurance;
- Advanced financial management; and
- Taxation.

Further details on the taxation segment:

According to the Institute of Chartered Accountants of Ghana the aim of the taxation segment is to apply relevant knowledge and skills and exercise professional judgement in providing relevant information and advice to individuals and businesses on the impact of the major taxes on financial decisions and situations.

Detailed taxation syllabus;

- ✓ Ghana tax system;
- ✓ Income tax liabilities;
- ✓ Corporate tax liabilities;
- ✓ Chargeable gains;
- ✓ Value added tax and Custom duties;
- ✓ Tax administration;
- ✓ Impact of taxes on business situations;
- ✓ Minimizing and/or deferring tax liabilities by use of tax planning measures;
- ✓ Communicating with clients, Ghana Revenue Authority and other professionals;
- ✓ Taxes on natural resources including petroleum; and
- ✓ Fiscal policy.

Further details of one of the items on the syllabus, Ghana tax system;

- ✓ History of taxation in Ghana;
- ✓ The overall function and purpose of taxation in a modern economy;

- ✓ Classification of taxes;
- ✓ Principal sources of revenue laws and practice;
- ✓ Basic principles of taxation-entity, time period, jurisdiction and character variables;
- ✓ Tax avoidance and tax evasion;
- ✓ Chargeable gains and capital gains tax(CGT) liabilities in situations involving overseas aspects and in relation to closely related persons and the application of additional exemptions and relief;
- ✓ Stamp duty;
- ✓ Social Security contributions and Pension Funds;
- ✓ Value added tax, Excise duty, Communication tax, Hotel tax and Service tax; and
- ✓ Governance structure of Ghana Revenue Authority.

2.2 TEACGING OF TAXATION BY TAXATION INSTITUTES

2.2.1 Chartered Institute of Taxation of Nigeria(CITN)

Chartered Institute of Taxation of Nigeria (CITN) is the Body statutorily established in 1992 and empowered to regulate and set standards of taxation in Nigeria. Before then the Institute of Chartered Accountants of Nigeria(ICAN) exercised that power. CITN executes it mandate through many public interactions, including inputs to government, and qualifying examination for prospective members. One of its engagements is the mandatory professional training programme(MPTP) through which it ensures continuous knowledge of taxation for its members. The CITN also uses the MPTP to educate non-members on tax issues. This is in addition to tax compliance sensitization sessions organised to assist taxpayers to know their tax obligations.

2.2.1.1 Qualifying Examinations

The CITN organised series of examinations with a view to getting prospected members qualify as certified. The levels of examination are two; foundation and professional. Preparation for the examinations are run mainly by tuition houses. Exemptions are granted in deserving cases:

(a) Foundation

(i) Principle of taxation

- + Tax as a creation of law;
- + Chargeability to tax, income chargeable;
- + Test of trade;
- + Definition of employment and engagement on contract;
- + Principles of residence and permanent establishment;
- + Measurement of income;
- + Income recognition and accounting; and
- + Fiscal year.

(ii) Tax administration

- + Constitutional powers;
- + The composition, rights, powers and functions of various tax administration organs;
 - The Joint Tax Board;
 - Local Government Revenue Committee;
 - Federal Inland Revenue Service;
 - State Board/Internal Revenue Service;

- Body of Appeal Commission/Tax Appeal Commission;
- Technical Committees of various Tax Boards; and
- The judicial system.

(b) Professional Level

(i) Professional taxation 1

- ✓ Quantitative techniques;
- ✓ Revenue laws;
- ✓ Income taxation; and
- ✓ Indirect taxation.

(ii) Professional taxation 2

- ✓ Taxation of e-commerce;
- ✓ Strategy, risk and ethics;
- ✓ Tax audit and investigation; and
- ✓ International taxation.

(iv) Professional taxation 3

- Oil and gas taxation;
- Solid mineral taxation;
- Tax management; and
- Practical cases in taxation.

2.2.2 Chartered Institute of Taxation (CIOT) United Kingdom

The Chartered Institute of Taxation(CIOT) is a leading professional body in the United Kingdom(UK). It is concerned with taxation standards for direct and indirect taxes.^{xxxv}It aims to promote education in and study of administration and practice of taxation.

The institute administers and awards two qualifications namely the Chartered Tax Adviser(CTA), formally Associate of Tax Institute

Incorporated(ATII), for domestic tax practitioners in the UK, and the Advanced Diploma in International Taxation for International Tax Practitioners around the world. The certificates are awarded through examinations and three years' practical taxation experience.

Since 2014, the Chartered Institute of Taxation has been offering a joint programme with the Institute of Chartered Accountants in England and Wales with a view to giving its members more accounting background.

2.2.3 South Africa Institute of Tax Practitioners

The South Africa Institute of Tax Practitioners(SAIT) is the recognised professional body in South Africa solely focusing on taxation. It is a professional association of tax professionals regulating tax profession in South Africa.^{xxxvi}

The tax professional qualifications examinations of SAIT is broken into two broad components namely theoretical and practical components. The sub-components are;

- Knowledge;
- Practical skill; and
- Workplace experience.

In the area of occupational qualification, SAIT organises seminars in the fields of principles of international transfer pricing, carbon tax and employee payroll tax.^{xxxvii}

With effect from April, 2014, the following curriculum was approved for tax professional qualification;

- ❖ Taxation 1-The principles of taxation;
- ❖ Commercial Financial Law-Principles of commercial law and business enterprise;

- ❖ Accounts and Finance-Analysis and interpretation of financial statements;
- ❖ Taxation 2-General tax principles;
- ❖ Taxation 3-Personal income tax, farming enterprise and trusts;
- ❖ Taxation 4-Corporate income tax;
- ❖ Taxation 5-Employment related consequences;
- ❖ Taxation 6-Other taxes; custom and excise duty, donation tax, property tax, and securities transfer tax;
- ❖ Tax Law-Value added tax law; and
- ❖ Administration of estates.

Practical skill component of the examination;

- ✓ Register taxpayers; calculate tax liability; finalise income tax, payroll tax and VAT returns;
- ✓ Review /audit tax balances;
- ✓ Mediate tax disputes;
- ✓ Write tax opinions and reports; and
- ✓ Demonstrate ethics and professional conduct in tax environment.

Workplace experience component: private practice;

- Register taxpayers; calculate tax liability; finalise income tax, payroll tax and VAT returns;
- Review/audit tax balances;
- Complete ADR form related to income tax, payroll tax and VAT; and
- Write tax opinion related to tax dispute, business model and investment and estate planning.

Curriculum component specification:

(I)The principles of tax administration;

- ❖ The topic is the constitutional framework in which tax law and revenue administration is established and function.

(ii)The tax system;

- ❖ An overview of tax administration;
- ❖ Mandate, roles, responsibilities and organisation structure; and
- ❖ The role of the Minister.

(iii)Tax administration process;

- ❖ Tax administration terminology; and
- ❖ General principle of tax administration.

(iv)The principles of dispute resolution;

- ❖ Principles of dispute resolution; and
- ❖ Alternative dispute resolution.

(V)Legal principles that apply to taxation;

- ❖ Secrecy;
- ❖ Audi alterampartem rule;
- ❖ Prescription; and
- ❖ Legal privilege.

(vi)Ethics and professional conduct in tax environment

- ❖ The principles of generally acceptable ethical behaviour in the tax environment;

- ❖ The different codes of conduct or prescriptions regarding conduct in the environment;
- ❖ Potential ethical dilemmas in the tax environment;
- ❖ The distinction between tax avoidance and tax evasion; and
- ❖ Professional communication skills in a tax environment.

(vii) General tax principles

- ❖ Income tax legislation and case law relevant to the general principles underlying the taxability or deductibility of amounts.

2.2.4 The Tax Institute

The Tax Institute of Australia is a leading forum for the tax community in Australia. It is working to shape the future of the tax profession and to ensure continuous improvement of the tax system.^{xxxviii}

The Tax Institute administers examinations and awards Chartered Tax Adviser(CTA) certificate. Its strategy includes sharing knowledge, educating young professionals and maintaining the highest level of technical skill. Its training and education programme include;

- Key tax compliance requirements;
- How to manage complex tax compliance affairs and planning issues; and
- Tax planning and advisory skills across different tax specialisations.

2.3 TEACHING OF TAXATION BY TAX ACADEMIES

This section will highlight training courses in taxation organised by tax academies. It is important to note that some of the academies/training institutes are owned by some of the tax authorities. A couple of them are privately owned and run.

2.3.1 Malaysia Tax Academy

Malaysia Tax Academy(MTA) was established in 1994. It is the training arm of Inland Revenue Board of Malaysia.^{xxxix} In addition to its role as the training arm of the Tax Authority, it collaborates with the Commonwealth Association of Tax Administrators(CATA), Organisation of Economic Cooperation and Development(OECD) and International Bureau of Fiscal Documentation(IBFD) in running some of its international training programmes.

Internal Training Programmes

(a) Training Programme for Job Confirmation

The programme is run for new recruits to enable them acquire basic knowledge in patriotism, organisational background, basic taxation and functional specific courses around the profession.

(b) Training Programme for Career Advancement

The aim of this programme is to upgrade analytical skills of the course participant in respective areas of function.

(c) Training Programme for Exposure and Knowledge

- In audit and taxation;
- Exposure to computer assisted auditing tools;
- Forensic accounting;
- Knowledge on specialised industries; and
- Stamp duties and tax incentives administration.

(d) Means of delivery of programme is by way of lectures with emphasis on case study, role play and simulation. Areas covered include;

- ❖ Interpersonal skills;
- ❖ Management;
- ❖ Negotiation;
- ❖ Integrity;
- ❖ Strategic management;
- ❖ Leadership and strategic evaluation;
- ❖ Understanding the operations of Multinational corporations;
- ❖ Forensic accounting;
- ❖ Criminal investigation;
- ❖ E-commerce;
- ❖ Fraud and integrity awareness;
- ❖ Transfer pricing;
- ❖ Tax treaties;
- ❖ Techniques for exchange of information; and
- ❖ Taxpayer education programme.

2.3.2 National Academy of Direct Taxes

The National Academy of Direct Taxes is the apex training institution of Indian Revenue Service and Income Tax Department.^{xl}It organises its foundation courses in two models namely;

First model: Induction course (has two streams)

- Theoretical inputs on subjects of theoretical concepts and practical application of direct tax laws;
- Academic level accounting and finance, and business laws;

There is an industrial attachment during the first model.

- Appreciation course for Parliamentary processes and procedures;
- Joint training opportunities with officers from other government departments in their various academies.

There is an attachment with the Indian Army; After completing four months of foundation training, model one, and there is attachment to field formation.

This is followed with the first departmental examination.

Second model

- On-the job training for eight weeks;
- International attachment;
- Inputs on procedures/techniques of investigation and drafting of orders and reports;
- Information technology operations; and
- Strategic and operational management and business law.

There is a departmental examination at the end of the second model training.

Officer trainees are expected to submit a report to be appraised by the Academy in collaboration with Nalser University of Law for the award of Masters in business law and taxation under a memorandum of understanding(MOU).

In addition to the above, there are other in-service training courses for Senior Officers

2.3.3 National Academy of Customs, Indirect Taxes and Narcotics(India)

The foundation courses for the Indirect Tax segment deals with specialist matters of conventional tax administration. Other aspects of the programme are given below;

- There is a training with the Police and the Military. The essence is to ensure that the officers are better prepared to excel in the multi-faceted roles;
- There is the exchange programme with different countries; and
- There is collaboration with OECD and International Organisations in cutting edge areas such as transfer pricing and international transactions.

2.3.4 Her Majesty Revenue and Customs-Tax Academy

Her Majesty Revenue and Customs(HMRC) runs a graduate programme for tax professionals. The three-year intensive programme is designed to equip students both technically(tax) knowledge and professional skills needed for application when dealing with customers.^{xii}The tax technical aspect of the training is delivered by HMRC's Tax Academy.

2.3.5 Tax Academy of Singapore

The Tax Academy of Singapore was established by the Inland Revenue Authority of Singapore, the Law Society of Singapore and the Big-4 International Accountancy Firms.^{xiii}

The Tax Academy of Singapore provides international training, transfer pricing programme, and executive tax programme. The training programmes include exposure in income tax administration, goods and services tax, and international tax.

Executive Tax Programme

Level 1(Income Tax Individuals)

The course covers the interpretation of the primary provisions in the Income Tax Act; it makes distinction between income and capital receipts, the principle governing the deduction of expenses and conditions for claim of reliefs.

Level 2(Income Tax-Corporate and Business)

The course provides in-depth knowledge in income tax principles; covers concepts on taxability, deductibility and capital allowances relating to sole proprietorship, partnership and companies. It also gives an overview of Goods and Services Tax(GST). Another topic taught in the academy is tax treaties.

Level 3(Advanced Tax Programme)

This programme is designed for tax professionals. It covers the following;

- Tax policy;
- Legal framework;
- Tax treaties;
- Transfer pricing;
- International tax planning; and
- Goods and services tax administration.

Electives;

- ✓ Tax incentives;
- ✓ Tax fraud and investigation; and
- ✓ Stamp duty.

2.3.6 Federal Inland Revenue Service

The Federal Inland Revenue Service(FIRS) of Nigeria runs two levels of compulsory training for its tax officers. It is noted that Nigeria is a member of the Commonwealth.The minimum qualification is first degree in economics, business administration, accountancy, law and related fields. The training programmes are run at two levels, preliminary and final/advanced.

Preliminary Course

- Examination of accounts;
- Principles of accounts;
- Principles of taxation 1;
- Communication skill;
- Petroleum profits tax;
- Companies income tax;
- Federal Inland Revenue Service Establishment Act;
- Capital gains tax;
- Stamp duty;
- Principle of taxation 2;
- Value added tax;
- Personal income tax; and
- International tax.

Final/Advanced Course

- Examination of accounts;
- Audit and investigation;
- Tax policy;
- International tax;
- Communication skills; and
- Specialised sector (banking, insurance and pioneer).

In addition to the regular courses, FIRS tax professionals participate in comparative tax administration courses namely Commonwealth Tax Inspectors Course and Achieving Management Potentials organised by Commonwealth Association of Tax Administrators(CATA) in collaboration with HMRC.

2.3.7 Taxation Training in the United States

In the United States(US) many institutions are involved in taxation training either as full-fledged tax training schools or training for tax preparers. This section will start with an overview of tax preparers in the US:

2.3.7.1 History of Registered Tax Returns Preparers

The Inland Revenue Service(IRS) in 2010 announced it would increase the standards for tax return preparers as well as institute testing and continuing education requirements. Prior to the IRS Tax Return Preparer Initiative, anyone could call himself Tax Return Preparer regardless of age, experience or training. To ensure professionalism, the IRS set a benchmark for Tax Return Preparers.

The IRS Tax Return Preparers standards included;

- ✓ Competency test;
- ✓ Fifteen hours of continuing education credits annually; and
- ✓ Qualifications such as CPA, Attorneys and Enrolled Agents are exempt. This is because they already have testing and education requirements for their credentials.

However, in what has been described as the Death of Tax Preparers Regulation,^{xliii} in January 2013, a Federal Court Judge(US District Court for the District of Columbia) ruled that the IRS had exceeded its legal authority in attempting to oversee and regulate Tax Preparers. This effectively put an end to the IRS's Registered Tax Return Preparer(RTRP) programme. The IRS lost on appeal, in the case known as Loving V. IRS. The IRS declined to appeal to Supreme Court. With the Court ruling, there is a multiplicity of bodies running Tax Professional Certification Courses in the US in addition to Tax Return Preparers. One of such Institutions is the National Tax Training School: Tax Courses Online.^{xliiv}It is noted that this Institution had been in existence before the Court cases on the standards for Tax Preparers(since 1952); the case law.

The main tax preparation topic in the National Tax Training School programme are;

- ✚ Accounting methods; filing requirements and electronic filing.
Business and non-business income and deduction;
- ✚ Itemized deduction and tax computation methods;
- ✚ Medical expenses and charitable contributions;
- ✚ Personal exemptions and methods of determining taxpayers' tax status;

- + Gross income exclusions and inclusions;
- + Gains or losses on sale or exchange of property; basis period; capital gains and losses;
- + Business and casualty losses;
- + Bad debts;
- + Assisting in setting up company to take full advantage of the consequences of the sale of taxpayer's residence;
- + Self-employment tax;
- + Tax credit;
- + Depreciation and depletion;
- + Income tax withholding;
- + Payroll tax;
- + Estimated tax; and
- + Alternative minimum tax

Other Tax Return Preparation Services/Tax Planning and Preparation

- Assisting in setting up company to take full advantage of every possible advantages of tax planning strategy;
- Individual tax services: tax preparation and advise, tax projections, quarterly payments and personal financial statements; and
- Tax minimisation strategies and electronic tax filing.^{xiv}

2.3.8 Canadian Tax Academy/Tax Courses in Canada

Some of the courses organised by Canadian Taxation Institutes include;

- ❖ Personal Income Tax:
 - Preparing Canadian income tax returns
- ❖ Preparing tax returns best practice; preparing tax returns from start to finish;

- ❖ Introduction to corporate tax- preparing T2 corporate tax;
- ❖ GST/HST fundamentals;
- ❖ Tax bytes;
- ❖ Small business blue print;
- ❖ Tax returns for deceased taxpayer;
- ❖ Personal tax-T1 case studies;
- ❖ Rental income reporting for non-residents; and
- ❖ Taxable supplies, zero-rated supplies and exempt supplies.^{xlvi}

2.3.8.1 Tax Academy-H & R Block

This academy offers the following courses in its Level 1 programme;

- Overview of the Canada income tax system;
- Taxation of income from employment
- RRSP and other registered plan;
- Moving expenses;
- Calculation of tax credit;
- Treatment of investment income;
- Sale of principal residence reporting;
- Health care expenses and the disability tax credit;
- Taxation and family situation;
- Eligible educator school supply tax credit;
- Senior citizen and pension income splitting; and
- GST, Canada child benefit and working income tax benefit.^{xlvii}

2.3.9 Teaching of Taxation by International and Multilateral

Organisations

The growing importance of taxation has attracted the attention of international and multilateral organisations. To this extent some of them have gone ahead to promote and/or directly get involved in the teaching of taxation. Some of these are discussed below.

2.3.9.1 The Commonwealth Association of Tax

Administrators(CATA)

The Commonwealth Association of Tax Administrators(CATA) is a Unit in the Secretariat of the Commonwealth. It is noted that the Commonwealth is an association of Britain and her former Colonies. The aim of CATA training programme is to support the improvement of Tax Administration especially amongst the developing countries.^{xlviii}It executes its aim through the activities below;

- ✓ Through holding meetings of technical and administrative personnel in tax administration for exchange of ideas and experiences;
- ✓ Organising seminars, workshops and training courses on aspects of tax administration, collecting; analysing and disseminating information on tax administration;

- ✓ Providing directly or collaborating and generally facilitating the work of bilateral and multilateral agencies. And providing technical assistance and research facilities in the field of tax administration; and
- ✓ Generally carrying out functions related to the overall improvements of the capacity of tax administrators through functional co-operation between and amongst Commonwealth countries.

Training programmes organised by CATA include:

- Taxation of International Trade;
- Commonwealth Tax Inspectors Course (held annually); and
- Achieving Management Potentials (held annually).

2.3.9.2 Africa Academy of Programme for Tax and Financial Crime Investigation-OECD

The OECD, Kenya, Italy, and Germany launched the pilot Africa Programme for Tax and Financial Crime Investigation at the C20 Africa Partnership Conference on June 13, 2017 in Berlin, Germany.^{xlix}

Representatives signed a declaration to strengthen the capacity of tax and financial crime investigation in tackling illicit financial flows. They noted that huge sums of money are lost to illicit financial flows including tax evasion.

The objectives of the programme include;

- To develop capacity of Africa's tax and financial crime investigators through training on the key skills and techniques

required in financial investigation, to effectively fight financial crimes that stem from illicit financial flows.

In addition to Africa Academy Programme for Tax and Financial Crime Investigation, the OECD has another window for improved tax administration known as **Tax and Crime**. It has the following components, among others;

- Aggressive tax planning: the aim is to improve international tax cooperation between governments so as to counter international tax avoidance and evasion. The OECD set up the ATP Steering Group in 2004 to act as a centre of knowledge and expertise on international tax planning;
- Base erosion and profit shifting (BEPS): BEPS refers to tax planning strategies that exploit gaps in the architecture of the international tax system to artificially shift profits to places where there is little or no economic activity or taxation;
- Dispute resolution,
- Consumption tax: the aim of this window is to address the problems that arise from national VAT system being applied in an uncoordinated manner;
- Exchange of information;
- Tax administration; The aim is to change tax administration from a confrontational dialogue to a more constructive engagement with taxpayers
- Tax policy analysis; and
- Tax treaties; and transfer pricing.

CHAPTER THREE

TEACHING OF TAXATION BY TERTIARY INSTITUTIONS

In the course of the evolution of the teaching of taxation, Institutes of Chartered/Certified Accountants and Tax Professional Bodies developed means of collaboration and association through memorandum of understanding(MOU) among themselves and with tertiary institutions perhaps, for the purpose of sharpening the theoretical basis of taxation and deepening research in the field. Some of such collaborations were highlighted in chapter two. Even in this chapter, case of collaboration with Accountancy/Taxation Institutes will be discussed. Essentially, many tertiary institutions developed courses in taxation in itself or as part of requirement for the award of other degrees, both at bachelor's and Master's degree levels, or as concentration track in undergraduate or graduate degrees in Commerce, Law or Business Administration. Some universities offer joint Master's in Taxation and other disciplines such as accounting, finance, legal studies or international business and management.

As an overview some tertiary institutions developed theoretical premises for the study and teaching of taxation either solely or in hybrid. Taxation degrees use knowledge from areas such as economics, legislation, politics, public administration and international business.ⁱ Within the theoretical premise there is the assumption that the tax professional can help organisations take important business decisions, by providing financial counselling, guidance and projections.ⁱⁱ The areas of expertise include;

- ✓ Accounting administration;
- ✓ Calculating tax liabilities; and

- ✓ Performing legal analysis.

By way of requirements for entry into degree programmes in taxation, most universities include mathematics and numerical skills, and ability to interpret and explain complex issues and make use of advanced analytical skills. This is in line with the historical trend discussed in chapter one. Graduates of taxation can work as (i) tax advisers and analysts, (ii) investigators, (iii) auditors, (iv) tax partners, (v) policy makers, (vi) tax inspectors, in accountancy and law firms, investment companies, insurance agencies, software companies, and public sector. These are factored into the development of curriculum for the study of taxation in tertiary institutions.

3.1 Some of the Universities that offer taxation

- (a) Taxation: Victoria University of Wellington, New Zealand. Offers taxation at bachelor degree level on full-time for three years;
- (b) Accounting and Taxation: Bournemouth University, Bournemouth, England, United Kingdom offers Accounting and Taxation on full-time for four years;
- (c) Taxation: Kogod School of Business, Washington DC, Washington, US. Runs a graduate certificate in taxation, on part-time for four years. The candidate must already possess a bachelor degree or equivalent from an accredited institution with good grade.
- (d) There is also the Master of Science in Taxation by American University.^{lii} The areas of focus are;

Tax policy;

- + Research and analysis of tax legislation;
- + Tax policy and compliance issues-as they affect small businesses, entrepreneur and middle income taxpayers;
- + There are site visits to;
 - US Senate Finance Committee;
 - US Treasury; and
 - US Tax Court.
- + Electives include international taxation and taxation of corporations and businesses.

(d) Accounting: Western Sydney University, Australia. The assumption is that taxation knowledge is integral both to accounting and finance. The bachelor of Taxation is usually a speciality within accounting programme and focuses on preparing specialists in tax preparation. Generally, courses in accounting are taken, including financial accounting, management accounting, international business, law and management.

(e) Bachelor in Accounting and Taxation: Poltava University of Economics and Trade.

(f) Bachelor(Hon) in Taxation: University Abdul Razak, UniRazak;

This university prepares students for tax advice and management services, instruction in tax laws and regulations, tax records system, individual and corporate income tax, tax planning, partnership and fiduciary relationship, estates and trusts, property depreciation, capital gains and losses, disposition, transfers, liquidity, valuation and applications to specific tax problems. It has a memorandum of understanding(MOU) with leading tax

institutions such as Chartered Tax Institute of Malaysia(CTIM) and the Malaysia Association of Tax Accountants(MATA).

- (g) Bachelor in Economics; Taxes and Taxation: Sarator, Socio-Economic Institute. Specialises in the field of taxation for legal entities and individuals.
- (h) B.Com(Hon) in Taxation: University of Johannesburg.

The purpose is to develop intellectual and practical skills in the analysis, interpretations and application of governance and control and taxation principles.

- (i) LLM, LL293 Taxation: London School of Economics;

Syllabus;

- General principle of taxation, objectives of the tax system, types of taxes, philosophical foundations of taxation, administrative issues about UK tax system.^{liii}
- Employment income-taxation of salaries, wages and other remunerations;
- Business income-taxation of business profit, etc.;
- Taxation of capital-capital gains tax and other taxes on capital;
- Corporations-legal form;
- International aspects- tax base, tax residence and domicile, double taxation(avoidance) agreement, etc.; and
- Statutory interpretations and tax avoidance, etc.

3.2 Comprehensive Curriculum for Higher National Diploma in Taxation

The National Board for Technical Education, Nigeria, approved a curriculum for Higher National Diploma(HND) in Taxation. HND is equivalent to a Bachelor Degree. HND in Taxation is run for two years for students who already possess National Diploma(ND) in Taxation^{liv} and therefore must have done the industrial attachment for the programme. The HND in Taxation programme is in addition to the teaching of taxation either as part of other courses/electives or specialist programmes by Nigerian Universities.

The goal of the HND in Taxation programme is to produce diplomats with sound theoretical knowledge and skills to carry out a number of activities in tax and other related matters, while the objectives include;

- To conduct a structured survey on any aspect of tax matters and make appropriate recommendations to the authority;
- To identify tax management problems at appropriate levels, analyse them and design management strategies to overcome them;
- To carry out inspection and auditing of books and records for tax purposes;
- To carry out evaluation of investment assets for investment and tax purposes and assist in the analysis of investment and tax proposals;
- To interpret basic statistical data;
- To assist in the preparation of short and long term budget and tax plans;
- To write tax and business reports and carry out various types of business communication effectively;
- To apply knowledge of basic economic concepts and principles to taxation matters;

- To apply knowledge of accounting to different types of tax transactions;
- To use statistical inference as aids to business and tax plans and control;
- To apply the knowledge of law to various tax matters;
- To apply mathematics and other quantitative techniques in tax management decision process; and
- To perform duties with high ethical standard.

3.2.1 Approved Courses

3.2.1.1 Advanced Personal Taxation 1

- The goal is to provide the student with the knowledge and skills to apply tax laws and principles to processing and preparation of simple personal income tax returns;
- The general objectives include;
 - To understand tax as a creation of law;
 - To know chargeability to tax and income chargeable;
 - To understand the meaning of trade, profession, vocation, test of trade, employment, revenue-income/expense, capital, income/expense;
 - To understand principles of residence and permanent establishment;
 - To understand measurement of income, income recognition and accounting/fiscal year; and
 - To understand taxation of income/profit.

3.2.1.2 Business taxation 1

- Main goal: To provide the student with the knowledge and skills to apply tax laws and principles in the processing and preparation of business tax returns;
- General objectives;
 - ✓ To understand companies' income tax;
 - ✓ To understand education tax: persons chargeable; determination, assessment and collection of tax, administration, objections and appeals procedures, relationship with Companies Income Tax Act(CITA) and Petroleum Profit Tax Act(PPTA);
 - ✓ To understand taxation of specialized companies, insurance companies, unit trusts, mergers, acquisition, takeovers and restructuring, non-resident companies, air transportation and shipping, pioneer legislation (Industrial Development Income Tax Relief Act) and other financial institutions and agricultural businesses; and
 - ✓ To understand capital gains tax.

3.2.1.3 Advanced Personal Taxation 2

- Main aim: To provide the student with the knowledge and skill to apply tax laws and principles to processing and preparing personal income tax returns.
- General objectives:
 - ✓ To understand tax liability of individuals.
 - ✓ To understand tax liability of partnership.
 - ✓ To understand loss relief in personal income tax.
 - ✓ To understand income tax aspects of trusts, estates and settlements.

3.2.1.4 Business Taxation 2

- Main aim: To provide the student with the knowledge and skill to apply tax laws and principles to processing and preparing business tax returns.
- General objectives.
 - ✓ To understand withholding tax.
 - ✓ To understand value added tax.
 - ✓ To understand stamp duties.
 - ✓ To understand custom and excise duties.
 - ✓ To understand back duty assessment.
 - ✓ To understand provisional tax.
 - ✓ To understand tax incentives in the Nigerian tax system.

3.2.1.5 Tax Audit and Investigation

- Main aim: To enable the student gain an understanding of the general principles of tax audit and investigation for application in practical situations.
- General objectives
 - ✓ To understanding tax auditing principles.
 - ✓ To understand the planning of tax audit and investigation.
 - ✓ To understand controlling and recording an audit.
 - ✓ To understand management of close-out meeting.
 - ✓ To understand preparation of audit reports and investigation reports.
 - ✓ To understand decision making after tax audits.
 - ✓ To understand conflict resolution and settlement of tax investigation.

3.2.1.6 International Taxation 1

- Main aim: To enable the students acquire the knowledge and skill as well as understand the practice of international taxation.
- General objectives
 - ✓ To understand taxpayer's residence.
 - ✓ To understand foreign income tax remittance.
 - ✓ To understand effects of offshore judicial decision.
 - ✓ To understand foreign investments and capital gains tax.
 - ✓ To understand transfer pricing by multi-national corporations and its tax implication.
 - ✓ To understand double taxation(avoidance) agreement.

3.2.1.7 Oil and Gas Taxation 1

- Main aim: To enable the student acquire the knowledge, understanding as well as the skills to practice oil, gas and other minerals taxation.
- General objectives;
 - ✓ To understand oil and gas taxation.
 - ✓ To understand incentives in oil and gas resources.
 - ✓ To understand taxation of other mineral resources.
 - ✓ To understand relevant legislation and arrangements related to petroleum and gas taxation.

3.2.1.8 Tax Practice 1

- Main aim: To acquaint the student with the tax system in Nigeria and provide him with the knowledge and skills to formulate/implement policies and strategies for tax planning, enforcement of tax laws and collection of tax revenue.
- General objectives;

- ✓ To understand the meaning of tax planning.
- ✓ To understand how to design tax plans and management strategies.
- ✓ To understand the system of taxation in Nigeria.
- ✓ To understand problems of enforcement of tax laws and remedies.
- ✓ To appreciate comparative taxation of sole traders, partnerships and companies.
- ✓ To understand management tax practices.
- ✓ To understand tax appeal procedures, recovery procedure, processes for payment of tax, collection procedures, assessment procedures, examination of accounts and returns.
- ✓ To understand professional ethics in taxation.

3.2.1.9 Tax Audit and Investigation 2

- Main aim: To enable the student acquire the knowledge and understand the framework of tax audit, as well as skills to practice tax audit of organisations.
- General objectives:
 - ✓ To understand tax auditing principles.
 - ✓ To understand the planning of tax audit and investigation.
 - ✓ To understand controlling and recording of an audit.
 - ✓ To know interview techniques in audit.
 - ✓ To know audit evidence, technology and procedures.
 - ✓ To know statutory powers of the tax auditors.

3.2.1.10 International Taxation 2

- Main aim: To enable the student acquire the knowledge and understanding of international tax practices as well as skills to practice.
- General objectives;
 - ✓ To understand the Nigerian tax system.
 - ✓ To understand foreign taxpayers.
 - ✓ To understand the place of business.
 - ✓ To understand transfer pricing.
 - ✓ To understand allocation of expenses.
 - ✓ To understand double taxation agreements.
 - ✓ To understand Nigeria tax treaties and reliefs.
 - ✓ To understand typical clauses in tax treaties.
 - ✓ To understand treaty clauses.
 - ✓ To understand treaty relief by credit.
 - ✓ To understand tax credit.
 - ✓ To understand reform and planning.

3.2.1.11 Oil and Gas Taxation 2

- Main aim: To further empower the student with the knowledge, understanding and skills to practice oil and gas taxation.
- General objectives.
 - ✓ To understand petroleum profit tax system.
 - ✓ To understand capital allowances in petroleum profit tax.
 - ✓ To understand capital gains tax administration.
 - ✓ To understand computation of petroleum profit tax.
 - ✓ To understand the provisions of industrial development, income tax relief Act.

3.2.1.12 Practice 2

- Main aim: To enable the student appreciate tax practice and apply the knowledge and skills acquired to perform tax operations.
- General objectives;
 - ✓ To understand company's income tax system.
 - ✓ To understand the legal provisions for withholding tax deduction.
 - ✓ To understand the basis of assessing company's income.
 - ✓ To understand the loss relief provisions of the laws.
 - ✓ To understand the legal provisions for capital allowances.
 - ✓ To know the capital allowances provisions on disposal and hire purchase items.
 - ✓ To understand education tax provision in the law.
 - ✓ To understand company's income tax assessment.

3.2.1.13 Taxation Strategy, Risks and Ethics

- Main aim: To enable the student appreciate taxation strategies, inherent risks and code of ethics for tax practice.
- General objectives;
 - ✓ To understand risk management.
 - ✓ To understand strategic risk management.
 - ✓ To understand professional risks in tax practice.
 - ✓ To understand operation management.
 - ✓ To understand professional ethics and money laundering game.

CHAPTER FOUR

4.0 Summary of Findings from the Work

Taxation is a creation of economics for the purpose of raising funds for development; initially for communities and settlements, in early history. This was meant to enable them handle their common needs of social amenities and defence. As the society grew Kings/Emperors and their like took on the roles of the imposition of and administration of tax.

In pursuit of the need for accountability and to reduce arbitrariness in the imposition of taxes, the people(taxpayers), through their representatives, the legislators, insisted on checks and balances in the imposition of taxes to the extent that taxes should be imposed on the basis of laws made by their representatives, the legislators. Thus, tax became a matter that must be based on laws of Parliament. This fact is reflected in its teaching from early history till date.

Adam Smith, the Economist, sharpened the practice of taxation by propounding theories and principles upon which tax should be imposed and administered. The period he propounded the principles of taxation coincided with the Industrial Revolution in England, in the later part of the eighteenth century. The growth of businesses and creation of limited liability companies coupled with the development of tax policies, as enunciated by Adam Smith, and laws for the imposition of taxes on

businesses led to growing demand for proficient Accountants. The accountants were expected to have the skills to interpret the laws with respect to the tax implications. It is noted that some of the investors at this time were not part of the day-to-day running of the businesses. Therefore, they needed independent advisers. Accountancy consequently became professionalised and registered/chartered.

One of the components for qualification for hiring of a Chartered Accountant was the ability to interpret the law, especially with respect to tax. In pursuit of complete clientele service, taxation was integrated into accountancy and its teaching thereof. Therefore, for some time, taxation was studied as part of accountancy, taking into consideration the implications of law on business profit and income. The teaching was done by Professional Accountancy Bodies.

Around the later part of the eighteenth century and the whole of nineteenth century, taxation was taught as part of accountancy in UK. The world-wide influence of UK (Great Britain) in the world at that time made the integration of taxation into accountancy almost a global practice, through tuition and placements/practical experiences in Accountancy/Audit Firms. However, with sophistication and complexities in businesses and the growing importance of tax in business 'takes' for investors, many professional bodies sprang up to focus exclusively on tax and the teaching of taxation and allied matters. Ownership of these new Bodies were either privately or by Tax Authorities or in collaboration thereof. Thus, the monopoly enjoyed in the teaching of taxation by Accountancy Bodies was broken. In Nigeria, for example, the Chartered Institute of Taxation of Nigeria(CITN) was created in 1992 to regulate taxation profession. In spite of the law that gave effect to the, this turn of events did not go down well with the Professional Accountancy Body,

that apparently regulated tax profession before this time, on account that taxation was part of accountancy. The matter was resolved after a protracted action at the Court of Law.

As the Tax Professional Bodies grew, they developed working relationships with Accountancy Bodies for purposes of completeness and vastness of trainings offered. Sophistication in tax matters brought about the need for research. Consequently, the teaching of taxation was taken to the level of Tertiary Institutions either as undergraduate, graduate or post graduate specialist programmes. Even at this level, a lot of collaborations exist between the Tax Professional/ Accountancy Bodies and Universities.

In recent years, the growing importance of taxation brought Multilateral Institutions into participation in the teaching of taxation especially, the specialised areas. This is with a view to ensuring tax revenue maximisation and to reduce financial dependency of developing countries. Also, the Tax Professional/Accountancy Bodies expanded the teaching of taxation beyond certificate awarding purposes to include continuous education training programme for their members, public tax education for the populace and taxpayers' education for taxpayers.

On the whole, the teaching of taxation evolved from just being an integral part of accountancy taught by Accountancy Professional Bodies, through tuition and practical experience, to a profession taught by myriad of institutions including, Tax Professional Bodies, Accountancy Professional Bodies, Tax Academies, Tax Authorities, Tertiary Institutions and Multilateral Organisations, solely or in collaboration with one another. What started as just an integral part of accountancy has grown to be a profession with a professional qualification in its own right. Also from a subject in the curriculum in the pursuit of other academic

qualifications, taxation has become a sole discipline or hybrid academic qualification at all degree levels and as a specialist course in other disciplines.

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