Instructor Name: Dr. Mohamed Elbannan  
Office Number: Room 2012 Jameel Hall  
Office Hours: UW 10:00-1:00 & by appointment  
Office Phone:  
E-mail address: melbannan@aucegypt.edu  
Class Meeting Times: UW 3:30-4:45 (Jameel C104)

Assistant Name: Ola Atif  
Office Number: TBA  
Office Hours:  
E-mail address: olaatif@yahoo.com

Course Prerequisites: ACCT 306  
It is the student’s responsibility to be certain that the prerequisites have been successfully completed. If at any time during the semester it is determined that a student has not completed the prerequisites, the student can be administratively dropped from the course without credit or tuition refund.

MISSION AND VISION OF THE SCHOOL OF BUSINESS:

I. School Vision, Mission, and Core Values  
Vision: The School of Business sees itself becoming globally recognized as the leading business school connecting the region and the world.  
Mission: The School of Business strives to create an environment that fosters the development of principled and innovative business leaders and entrepreneurs who can make a difference  
Core Values: Excellence in student learning, teaching, intellectual contributions and services are all fundamental to the achievement of the school mission and the development of graduates ready to pursue successful careers in Egypt and beyond.  
   Lifelong Learning: Individual development of students and fostering of a culture of lifelong learning are important to striving for excellence.  
   Collaboration and Teamwork: Shared goals and actions of all those representing and associated with the school will be demonstrated by the collective benefit of all and in regular collaboration with different constituencies.  
   Integrity: Personal integrity and ethical professional behavior represent drivers and consistent with the school’s actions and objectives.  
   Cultural Diversity and Exposure: Pursuing diversity in its multidimensional definition as a platform and guiding principle for all school policies and programs.
Regional Impact: Focusing on sharing knowledge and intellectual contributions that would help realize an impact on the markets the school serves.

Continuous Improvement: Curricula offerings should be relevant, dynamic and with operational and strategic significance leading to a culture of continuous improvement.

Rationality in Using Resources: Rationalize and maximize the use of available human, financial and technological resources and infrastructure.

Adaptation, Relevance and Currency: The regular updating of curricula and services offered to adapt to a dynamic, changing and competitive global environment.

Community Engagement and Service: The importance of addressing social and community service issues and priorities.

II. Mission of the Department of Accounting

Our mission is to provide a world class accounting education to serve the needs of the business community and the accounting profession.

COURSE DESCRIPTION

This undergraduate class builds on the prerequisite Tax Accounting (ACCT 306) course in discussing the tax implications of business transactions in an Egyptian setting. The class provides students with a critical understanding of the role of taxation in investment and business planning and decision making. It discusses income tax regulations and their impact on financial and business decisions. The course is divided into three segments. First, the course discusses the relevant sources of authority to research the application of the tax law to actual and potential transactions and explains the basic income concepts from a tax perspective. Second, business income tax regulations under the Egyptian Income Tax Law no. 91/2005 are introduced to provide a framework for determining, analyzing, and evaluating tax effects of business decisions. The indirect non-income forms of business taxation, including sales tax and stamp tax are discussed. Finally, through additional readings, the course introduces important cultural, ethical, and professional issues that have important tax implications, including transfer pricing and international tax treaties. Case studies will be used frequently to supplement the required course materials.

COURSE OBJECTIVES

The objectives of this course are:

- To develop basic understanding of corporate income tax laws in the Egypt from a business perspective.
- To provide an ethical framework for integrating tax planning and compliance into business decision-making.
- To critically evaluate tax implications of local and global investment and business decisions.
- To provide skills necessary to analyze structured tax situations in a modern tax system
- To apply appropriate problem-solving tax mechanisms using case discussion approach and information technology.
- To enhance critical reasoning skills in the evaluation of real-world business issues.
- To integrate bodies of knowledge from other business disciplines to make well-rounded decisions in a professional manner.
- To enhance effective communication and presentation skills
To emphasize teamwork in analyzing cases, building tax advice on appropriate tax premises

**COURSE CONTENTS**

The following are the major topics covered in this course:

1. Tax accounting concepts and practices
   a. Tax planning
      - Tax costs and benefits
      - Four basic tax planning variables: entity variable, jurisdiction variable, character variable and time period variable.
      - Ethical issues in tax planning
   b. Basic company taxation
      - Accrual versus cash bases of accounting
      - Permanent and temporary differences
      - Presentation of tax-related accounts in the financial statements
      - Income taxation of sole Proprietorships, partnerships, and corporations

2. Egyptian taxation of businesses under the Egyptian Tax Law 91/2005
   - Institutional environment of Egyptian taxation
   - Obligations of business taxpayers
      - Tax audits/compliance
   - Expenditure and transaction taxes, General sales tax/Stamp tax
   - Tax on real estate transactions
   - International tax treaties

3. Ethics, professional and cultural issues
   - Environment of accounting firms: Stakeholders, guiding codes of conduct
   - Accounting firms and ethical dilemmas
   - Tax officers’ training and job environment
   - Comparative tax issues

**REQUIRED TEXT AND OTHER SOURCES**

**Required Materials:**
- Handouts prepared by the instructor from the following sources:
  - Abdel-Monem, S. Tax Accounting II.
- Additional readings

**Related websites:**
- Egyptian Income Tax Authority [http://www.incometax.gov.eg/map.htm](http://www.incometax.gov.eg/map.htm)
Blackboard:
All students are expected to periodically check the Blackboard because:
- All the material and handouts of the course are present on the Blackboard
- All assignments and homework will be posted on the Blackboard
- All the grades of midterms and assignments will be periodically posted on the Blackboard

**COURSE REQUIREMENTS**

<table>
<thead>
<tr>
<th>Assessment Scheme</th>
<th>Grade Breakdown</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Description</strong></td>
<td><strong>Grade</strong></td>
<td><strong>Lower Limit</strong></td>
</tr>
<tr>
<td>Exams:</td>
<td>Grade</td>
<td>Lower Limit</td>
</tr>
<tr>
<td>First exam</td>
<td>15</td>
<td>A</td>
</tr>
<tr>
<td>Second Exam</td>
<td>15</td>
<td>A-</td>
</tr>
<tr>
<td>Third exam</td>
<td>20</td>
<td>B+</td>
</tr>
<tr>
<td>Case write-ups</td>
<td>15</td>
<td>B</td>
</tr>
<tr>
<td>Research project:</td>
<td></td>
<td>B-</td>
</tr>
<tr>
<td>• Written report</td>
<td>10</td>
<td>C+</td>
</tr>
<tr>
<td>• Final presentation</td>
<td>5</td>
<td>C</td>
</tr>
<tr>
<td>Assignments</td>
<td>15</td>
<td>C-</td>
</tr>
<tr>
<td>Participation</td>
<td>5</td>
<td>D+</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>D</td>
</tr>
<tr>
<td></td>
<td></td>
<td>F</td>
</tr>
</tbody>
</table>

(1) **Exams (50 percent)**
There will be 3 exams (2 midterms and a final) corresponding to the three main segments of the course (see course objectives above). These exams will be given during the semester on dates indicated on the attached course schedule. Exam emphasis is on understanding and application rather than memorization. If you miss an exam for a reason such as serious illness or family emergency, please discuss the circumstances with me preferably before the exam or as soon as possible afterward. For such an excused absence from an exam, the course weight assigned to this exam will be shifted to the final exam. If you miss an exam without a legitimate reason, you will receive a zero for the exam, which usually implies failing the course. All exams must be completed in order to receive a passing grade in the course.

(2) **Case Studies (15 percent)**
On dates indicated on the attached course schedule, you will work in groups to critically evaluate tax issues in the context of real-life cases to be discussed in class. You must read and answer questions on the cases before you come to class on the case due date. I will assign questions to answer for each case. Your group will submit a single write-up for each case. I will grade it on a 3-point scale (3=Excellent, 2=Average, 1=Below Average, 0=unacceptable or absent). A total of 3 cases will be completed. The maximum score for all case write-ups is 15 percent (5 percent for each case). If you miss class on a day
that a case is schedule for discussion, that case will be the one to be dropped in computing your final grade.

(3) Research Project (15 percent)

As part of the course requirements, you are required (in groups of 3) to prepare a research project. The objective of this project is to strengthen your communication, writing, and presentation skills much needed in the modern business environment. The project topic should be a tax-related topic of your choice (e.g., history of US taxation, comparative tax research, internal administration of Egyptian tax authority/IRS, taxation of electronic commerce transactions, etc.). Additional suggested research topics will be given in the first day of classes. The topic you choose must be approved by the instructor. The project consists of three parts:

The Research Proposal/Progress Report (See assigned dates on last page of syllabus)

The research proposal is a 2-page write-up that identifies the group topic and some of the articles/references that will be used in your research. The proposal will explain what the group intends to do with respect to the research project.

The Research Report (See assigned dates on last page of syllabus)

Each group will submit a 10-page typewritten report. LATE SUBMISSIONS WILL NOT BE ACCEPTED. The report is basically a literature review on the topic selected. The format and structure of your report should comply with the Chicago Manual of Style. The report will be graded on scope of the topic, depth of analysis, and credibility of your sources/references. All members of the group will receive the same group report score. Material for the group research report should come from a minimum of 12 articles (per group) from one or more of the following suggested sources:


- **Websites:** taxsites.com, taxworld.org, internationaltaxreview.com, aaahq.org

First page of the research report should contain (1) the title of the research report, (2) names of team members, (3) course code and title (ACCT 402 Special Topics in Tax Accounting), and (4) submission date. Second page should include a 150-word executive summary/abstract providing the topic, method of research, and brief findings. The third page should feature a paginated table of contents. The fourth page starts the body of your report with an “Introduction” section, which contains a 2-page lengthier discussion of the same elements in your executive summary. The final page in your report should contain a listing of the references you used to write your report, written according to the Chicago Style or a similar style.

The Research Presentation (Presentations week: See assigned dates on last page of syllabus)

The research presentation will be conducted by all members of the group. You must use visual aids, including Microsoft PowerPoint slides. Each group presentation will take 20-30 minutes, during which group members will highlight the main points of the research paper in the final presentation and be ready to take questions.
(4) End of chapter assignments (15 percent)

On dates indicated on the attached course syllabus, you are required to submit solutions to questions and problems related to topics discussed in the lecture. Please turn in your assignments in class on the assignment due date. Assignments will be graded on whether you have attempted to solve all assigned questions/problems in the solution sheets you turn in. A total of 6 assignments will be assigned. The lowest grade assignments will be dropped and only 5 assignments will count towards 15 percent of your total grade (each will count for 3 percent).

(5) Participation and contribution to class discussion (5 percent)

COURSE POLICY

Attendance:

As stated in the university catalog, “students are expected to attend class; there is no system of permitted absences. The instructor in each class determines the effect of absences on a student’s grade in that class.” Students may not normally receive credit for a course if more than three weeks of classes (or their equivalent in summer school) is missed. Please refer to AUC attendance policy in the catalog.

AACS B Accreditation:

What is accreditation? Accreditation refers to a voluntary, non-governmental action taken by an institution to undergo periodic external evaluation in order to maintain high quality standards and programs. Accreditation reviews generally involve steps taken by the university to self-evaluate and clarify its goals and missions. Reviews are also often comprehensive; they assess all components of a healthy program: (a) people – administration, faculty, staff, and students; (b) research and intellectual contributions; (c) courses and curricula; and (d) strategic planning.

What is AACS B Accreditation? The Association to Advance Collegiate Schools of Business (AACS B) is the largest and most recognized specialized accreditation worldwide for business degree programs. In a recent study, 93% of a sample of 305 deans from AACS B-accredited and in-process institutions from Asia, Europe, North America, South America, and the Oceania reported that AACS B Accreditation has a continuous positive effect on their ongoing curricula development, program design, and delivery methods. Having AACS B accreditation facilitates the recruitment of high-caliber faculty. Graduating from an AACS B accredited university opens doors to the most exclusive and competitive career opportunities worldwide. To read more about the benefits of attending an AACS B accredited university online, go to: http://www.aacsb.edu/aacsb-accredited/students.asp#null.

Academic Integrity:

Preamble: Valuing the concepts of academic integrity and independent effort, the American University in Cairo expects from its students the highest standards of scholarly conduct. The University community asserts that the reputation of the institution depends on the integrity of both faculty and students in their academic pursuits, and that it is their joint responsibility to promote an atmosphere conductive to such standards. The AUC policy and procedures will be strictly applied. These procedures are contained in the University Catalog page 69-70 and are reproduced for your careful consideration and strict adherence.
<table>
<thead>
<tr>
<th>WK</th>
<th>DATE</th>
<th>CHAPTE R</th>
<th>TOPICS</th>
<th>CASES AND ASSIGNMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>29-Jan</td>
<td></td>
<td>Introduction and Review of Syllabus</td>
<td></td>
</tr>
<tr>
<td></td>
<td>01-Feb</td>
<td>JR Ch. 3</td>
<td>Ch. 3: Taxes as Transaction Costs</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>05-Feb</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>08-Feb</td>
<td>JR Ch. 4</td>
<td>Basic Maxims of Income Tax Planning</td>
<td>(J&amp;R-Ch3)AP: 8, 11, 16 TPC: 1</td>
</tr>
<tr>
<td>3</td>
<td>12-Feb</td>
<td>JR Ch. 12</td>
<td>The Choice of Business Entity</td>
<td>(J&amp;R-Ch4)AP: 1, 2, 9, 12, 15, 16</td>
</tr>
<tr>
<td>4</td>
<td>19-Feb</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>22-Feb</td>
<td>JR Ch. 13</td>
<td>Jurisdictional Issues in Business Taxation</td>
<td>(J&amp;R-Ch12)AP: 2,4,6,8, 10</td>
</tr>
<tr>
<td>5</td>
<td>26-Feb</td>
<td></td>
<td></td>
<td>Case 1 Write-up Due</td>
</tr>
<tr>
<td></td>
<td>29-Feb</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>04-Mar</td>
<td></td>
<td></td>
<td>Exam 1 (Chap. 3-4 and 12-13)</td>
</tr>
<tr>
<td></td>
<td>07-Mar</td>
<td>Handouts</td>
<td>History of Egyptian tax legislation</td>
<td>RP Progress Report and Presentations</td>
</tr>
<tr>
<td>7</td>
<td>11-Mar</td>
<td>Handouts</td>
<td>Egyptian tax environment</td>
<td></td>
</tr>
<tr>
<td></td>
<td>14-Mar</td>
<td>Handouts</td>
<td>Types of taxes</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>18-Mar</td>
<td>Handouts</td>
<td>Juridical persons</td>
<td></td>
</tr>
<tr>
<td></td>
<td>21-Mar</td>
<td>Handouts</td>
<td>Tax on profits of juridical persons</td>
<td>Case 2 Write-up Due</td>
</tr>
<tr>
<td>9</td>
<td>25-Mar</td>
<td>Handouts</td>
<td>Tax-Bracket Determination</td>
<td>Assigned Problems</td>
</tr>
<tr>
<td></td>
<td>28-Mar</td>
<td>Handouts</td>
<td>Tax-Bracket Determination</td>
<td>Assigned Problems</td>
</tr>
<tr>
<td>10</td>
<td>01-Apr</td>
<td>Handouts</td>
<td>Tax exemptions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>04-Apr</td>
<td>Handouts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>/// ////// April 8-16, Spring Break /// //////</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>18-Apr</td>
<td>Handouts</td>
<td>Tax exemptions</td>
<td>Assigned Problems</td>
</tr>
<tr>
<td></td>
<td>22-Apr</td>
<td>Handouts</td>
<td>Loss Carry-forwards</td>
<td></td>
</tr>
<tr>
<td></td>
<td>25-Apr</td>
<td></td>
<td>Obligations of taxpayers</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>/// ////// April 25, Sinai Liberation Day /// //////</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>02-May</td>
<td>Handouts</td>
<td>Sales Taxes / VAT</td>
<td></td>
</tr>
<tr>
<td></td>
<td>06-May</td>
<td></td>
<td>Real Estate Taxes</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>09-May</td>
<td>Handouts</td>
<td>Ethical, professional and cultural issues</td>
<td>RP Report Due</td>
</tr>
<tr>
<td></td>
<td>13-May</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>16-May</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Final Exam (Comprehensive)**

QPD = Questions and Problems for Discussion, AP = Application Problems, TPC = Tax Planning Cases