

LW5685: TAX LAW AND POLICY

Effective Term

Semester A 2026/27

Part I Course Overview

Course Title

Tax Law and Policy

Subject Code

LW - Law

Course Number

5685

Academic Unit

School of Law (FL)

College/School

School of Law (FL)

Course Duration

One Semester

Credit Units

3

Level

P5, P6 - Postgraduate Degree

Medium of Instruction

English

Medium of Assessment

English

Prerequisites

Nil

Precursors

Nil

Equivalent Courses

Nil

Exclusive Courses

Nil

Part II Course Details

Abstract

Tax is an important part of the business environment in which lawyers work. Tax law is a subject that touches on every aspect of the law on which a lawyer might advise, including contract law, tort law, family law, company law, labour law and

criminal law. It is a gateway to understanding the choice of investment and business vehicles, the structure of trusts, the form of legal contracts, tort settlements, family dissolution agreements and the design of commercial arrangements. The aim of this course is to introduce students to the key policy and legal issues, as well as contemporary developments, both in the mainland Chinese and Hong Kong tax systems, and from an international comparative perspective (e.g., the UK, the EU, Australia, Canada and New Zealand). Topics include personal income tax, corporation tax, value added tax (goods and services tax), capital gains tax, wealth tax, and tax avoidance and anti-avoidance rules.

This course will prepare students for a career in a wide range of global employment destinations, including but not limited to the legal profession, legal practice in accountancy, house company counsel and government agencies.

Course Intended Learning Outcomes (CILOs)

CILOs		Weighting (if app.)	DEC-A1	DEC-A2	DEC-A3
1	Demonstrate detailed knowledge of basic principles, core policy issues and the complex body of rules and case law in the field of taxation		x	x	x
2	Understand the key challenges of the design of tax law and policy in specific social, economic and political contexts		x	x	x
3	Demonstrate ability to evaluate government policy in light of alternative benchmarks and how effectively legislation has achieved the policy intention of the government		x	x	x
4	Demonstrate ability to apply legislation and case law to solve tax problems in complex factual situations		x	x	x

A1: Attitude

Develop an attitude of discovery/innovation/creativity, as demonstrated by students possessing a strong sense of curiosity, asking questions actively, challenging assumptions or engaging in inquiry together with teachers.

A2: Ability

Develop the ability/skill needed to discover/innovate/create, as demonstrated by students possessing critical thinking skills to assess ideas, acquiring research skills, synthesizing knowledge across disciplines or applying academic knowledge to real-life problems.

A3: Accomplishments

Demonstrate accomplishment of discovery/innovation/creativity through producing /constructing creative works/new artefacts, effective solutions to real-life problems or new processes.

Learning and Teaching Activities (LTAs)

LTAs		Brief Description	CILO No.	Hours/week (if applicable)
1	Lectures	The course leader will present and explain the law on the topics listed below in the syllabus.	1, 2, 3, 4	2
2	Interactive class discussion/ presentations	Students will be engaged in debates/presentations to develop a critical perspective on various tax policy and legal issues.	1, 2, 3, 4	1

Assessment Tasks / Activities (ATs)

ATs	CILO No.	Weighting (%)	Remarks ("- for nil entry)	Allow Use of GenAI?	
1	Class participation [including mainly class attendance, class discussion, concentration in the classes, and oral presentation (if presentation tasks are assigned by the instructor)]	1, 2, 3, 4	40	While generally students are not encouraged to rely on AI, they are permitted to use GenAI for assignment completion. The pedagogical objectives limit the use of AI to three specific purposes: 1. Utilising AI instead of traditional search engines to gather sources; 2. Developing the skills to pose questions to AI that effectively prompt useful answers; 3. Garnering inspiration from the points of knowledge/ideas/ thoughts generated by AI. Students are strictly prohibited from directly incorporating sentences or expressions produced by Gen AI into their assignments. This would be viewed as plagiarism. When AI has been utilised in their work, it is crucial that students acknowledge this fact.	Yes
2	Coursework	1, 2, 3, 4	60	The use of Generative AI tools is not allowed.	No

Continuous Assessment (%)

100

Additional Information for ATs

To pass this course, student must obtain an aggregate mark of 40%.

Grading of Student Achievement:

Standard (A+, A, A-...F). Grading is based on student performance in assessment tasks/activities

Assessment Rubrics (AR)

Assessment Task

Class participation

Criterion

Demonstration of understanding of concepts, principles, and theories.

Demonstration of ability to identify legal and policy issues.

Application of knowledge to specific legal and policy problems, to discuss questions, and to comment on legal and policy phenomena.

Application of legal writing and research skills.

Demonstration of ability to engage in argument-based analysis based on critical thinking.

Demonstration of aptitude for formulating innovative solutions to fact-based questions.

Excellent (A+, A, A-)

Strong evidence of original thinking; good organisation, capacity to analyse and synthesise; superior grasp of subject matter; evidence of extensive knowledge base.

Good (B+, B, B-)

Evidence of grasp of subject, some evidence of critical capacity and analytic ability; reasonable understanding of issues; evidence of familiarity with literature.

Fair (C+, C, C-)

Student who is profiting from the university experience; understanding of the subject; ability to develop solutions to simple problems in the material.

Marginal (D)

Sufficient familiarity with the subject matter to enable the student to progress without repeating the course.

Failure (F)

Little evidence of familiarity with the subject matter; weakness in critical and analytic skills; limited, or irrelevant use of literature.

Assessment Task

Coursework

Criterion

Demonstration of understanding of concepts, principles, and theories.

Demonstration of ability to identify legal and policy issues.

Application of knowledge to specific legal and policy problems, to discuss questions, and to comment on legal and policy phenomena.

Application of legal writing and research skills.

Demonstration of ability to engage in argument-based analysis based on critical thinking.

Demonstration of aptitude for formulating innovative solutions to fact-based questions.

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Fair (C+, C, C-)

Student who is profiting from the university experience; understanding of the subject; ability to develop solutions to simple problems in the material.

Marginal (D)

Sufficient familiarity with the subject matter to enable the student to progress without repeating the course.

Failure (F)

Little evidence of familiarity with the subject matter; weakness in critical and analytic skills; limited, or irrelevant use of literature.

Part III Other Information

Keyword Syllabus

The course will feature legal and policy issues in the mainland Chinese and Hong Kong tax systems, and from an international comparative perspective (e.g., the UK, the EU, Australia, Canada and New Zealand). The syllabus provides an indicative framework built around the following areas:

1. Principles of taxation: purposes of taxes; functions of government expenditures; key elements of a tax system; main types of taxes; tax design criteria
2. Taxing income: schedular and global systems
 - Personal income tax: rate schedule and the tax unit; employment income; business income; deductions for expenses; tax expenditures; capital allowances
 - Corporation tax: imputation and classical systems; debt and equity; income and losses; distributions
 - Capital gains tax: gains and losses; exemptions and reliefs
3. Taxing consumption: value added tax vs turnover tax (business tax) vs retail sales tax
 - Value added tax: concessions (reduced rates, zero rate and exemptions); threshold and small businesses
4. Taxing wealth: net wealth tax and wealth transfer taxes
 - Inheritance tax: gift and testamentary transfers of wealth
5. Tax avoidance and anti-avoidance rules: judicial doctrines and legislative approaches (specific anti-avoidance rules and general anti-abuse rules)

Reading List

Compulsory Readings

Title	
1	Victor Thuronyi, Kim Brooks and Borbala Koloza, <i>Comparative Tax Law</i> (2nd edn, Kluwer Law International 2016)
2	Neil Brooks, 'The Logic, Policy and Politics of Tax Law: An Overview'

Additional Readings

Title	
1	These texts are supplemented by journal articles and other resources provided in the course handbook, which address contemporary developments in tax law and policy and issues currently debated in academic literature and policy forums.

2	Stephen Smith, Taxation: A Very Short Introduction (Oxford University Press 2015)
3	Kim Brooks, Comparative Tax Law Guide (9 June 2023)