Course: Law II  
Code: 10BBA70001

Type: Required  
Year: 1  
Semester: 2  
ECTS Credits: 3

Language: Spanish
Coordination: 

Faculty:  
Emma Martinez Hernández

Course requirements:

Previous knowledge:

Workload distribution:  
Lectures 25 hours  
Participatory sessions 12 hours  
Independent study 50 hours  
Tutorials / feedback 3 hours

Course contribution to the programme:  
The Taxation System (Law II) course enables students to take a look at the fiscal reality of the world of business. During the course, basic taxation concepts will be introduced so that the student can appreciate the importance to a company of the right tax policy. Once the course is completed, the student will be in a position to study the Spanish taxation system in more depth.

Course learning objectives:  
By the end of the course, students will know the general concepts of Taxation Law, and the Spanish taxation system.

With these general objectives in mind, over the course a series of specific objectives will be dealt with, relating to the development of specific skills:

- To place Taxation Law within the framework of Spanish legislation, and to distinguish the basic tax concepts (the taxable event, tax-exempt income and so on.)
- To distinguish all the earnings that make up the income tax (IRPF) return, so that they are able to put together a medium-difficult tax return.
- With regard to Corporate Income Tax, students must understand all the aspects that make up the tax return schedule (off-balance sheet adjustments to taxable income and tax deductions).
- With regard to indirect taxation, the student must be able to recognise the basic VAT taxable transactions, and those taxable with Capital Transfer Tax and Stamp Duty.
- With regard to VAT, students must be able to identify domestic, intra-community and international operations.

Skills developed:

- The ability to acquire, understand and structure knowledge critically.
- The capacity for continuous learning.
- The ability to apply knowledge to obtain results.

**Contents and methodology:**

Theoretical-practical study of the generalities of taxation law and the Spanish taxation system, paying particular attention to taxes most closely and directly linked to business activity (essentially Corporate Taxation and VAT).

Below is a more detailed look at the concepts to be developed in each thematic block, and the methodology and materials used.

**Block 1: Introduction to Taxation Law. Basic concepts**

Contents and concepts to be studied: The sources of Taxation Law, constitutional tax principles, what taxation is for, types of tax and basic taxation concepts.

Material: Notes produced by the Professors.

**Block 2: IRPF (Income Tax)**

Contents and concepts to be studied:

- The main features of income tax (IRPF) (taxable event, tax return schedule, the taxpayer, tax exemption and so on.)
- Taxable income (earnings, from movable property, from real property, from economic activities, capital gains and losses)
- Tax basis
- Total tax due, Total tax due minus tax credits, Total tax due minus tax credits, taxes withheld and prepayments (deductions and retentions)

Distribution: 7.5h of lectures and 2.5h of participatory sessions, including the student’s independent study.

Materials: Notes supplied by the Professor. Practical case studies to be developed by students and discussed and solved in the participatory sessions.

**Block 3: Corporate Taxation**

Contents and concepts to be studied:

- Tax return schedule
- Off-balance sheet adjustments: amortisation, allocations for impairment losses, allocations for insolvencies, leases.
- Domestic and international double tax treaty exemptions and deductions.
- Deduction for reinvestment of extraordinary profits.
- Complete tax payment.

Distribution: 10h of lectures and 5h of participatory sessions, including the student’s independent study.

Materials: Notes supplied by the Professor. Practical case studies to be developed by students and discussed and solved in the participatory sessions.

**Block 4: Value Added Tax (VAT) vs. Capital Transfer Tax and Stamp Duty**

Contents and concepts to be studied:
- The main features of VAT (nature, taxable event, tax return schedule, tax rate).
- Domestic transactions (provision of goods and services, taxable income, tax rate and so on.)
- Intra-community transactions (intra-community acquisition and provision)
- International transactions (imports and exports)
- Particular reference to real estate transactions: Distinguishing between VAT and Capital Transfer Tax.

Distribution: 7.5h of lectures and 2.5h of participatory sessions, including student’s independent study.

Materials: Notes supplied by the Professor. Practical case studies to be developed by students and discussed and solved in the participatory sessions.

Evaluation:

The course is theoretical-practical, meaning that consideration is given to the practical work carried out by the students, in the participatory classes, enhancing their independent study and their ability to apply the theoretical knowledge acquired.

Below are the assessment guidelines for the course:

- Since it is a one-term course, there is no partial exam.
- The global grade from the practical sessions will form 30% of the final grade.
- In order to sit the final exam, it is required that the student has passed one of the four practical case studies given during the course.
- The final exam will consist of three independent parts, assessing each of the three taxes dealt with during the course. Students must obtain a mark of at least 4 in each of the parts, so that the final average weight can be calculated, according to the following percentages:

a) Income tax: 30%

b) Corporate tax: 40%

c) VAT: 30%

Assessment of your performance during the course will take into consideration the acquisition of the learning objectives, on a scale of 0 to 10. Information relating to the development of competences worked on throughout the course may be considered in the 0 to 10 mark, and will also be reflected from A to D in an independent indicator. This indicator will be incorporated into all courses and will be used to follow up on each student’s progress throughout the programme.

Core bibliography:

We do not recommend any particular book, as notes have been especially written for this course.

However, the following legal texts must be printed out:
- Real Decreto Legislativo 4/2004, de 5 de marzo, por el que se aprueba el texto refundido de la Ley del Impuesto sobre Sociedades.
- Ley 37/1992, de 28 de diciembre, del Impuesto sobre el Valor Añadido.
- Ley 35/2006, de 28 de noviembre, del Impuesto sobre la Renta de las Personas Físicas.
- Real Decreto Legislativo 1/1993, de 24 de septiembre, por el que se aprueba el Texto Refundido de la Ley del Impuesto sobre Transmisiones Patrimoniales y Actos Jurídicos Documentados.
Complementary bibliography and reading materials:
Memento práctico Fiscal 2010. Editorial Francis Lefebvre (es un material de consulta no obligatorio).