



Universidad  
de Alcalá

COURSE GUIDE

# INTERNATIONAL FISCAL SYSTEM

**Grade in Law, Economics, International  
Business**

**Universidad de Alcalá**

**Academic Year 2022/ 2023**

**First Year – First Term**

## COURSE GUIDE

Course name:	<b>International Fiscal System</b>
Code:	<b>100197</b>
Course available for:	<b>Grade in Law, Economics, International Business</b>
Department	<b>Economics and Business Management</b>
Course type:	<b>Optional and transversal</b>
ECTS credits:	<b>6</b>
Year and term:	<b>First year- First Term</b>
Professors:	<b>MARÍA CRESPO GARRIDO</b>
Teaching Timetable:	<b>TBC</b>
Language of Instructions:	<b>English</b>

### 1. INTRODUCTION

This compulsory course studies the effects of taxes on international business. It is an important question, since the level of taxation can have hugely beneficial or harmful effects on any and all business activity. This course focuses on the knowledge required to:

1. Identify and recognize the limiting effects of taxation on international business from the viewpoint of economic and law forces.
2. Analyze income tax on people and legal entities and its effects on economic forces in a global economy.
3. Describe and analyze common configurations of fiscal systems, from the position of the state, showing the theoretical limits of taxes, strategies for better tax enforcement, and policies that generate stability.
4. Learn about the model agreement enacted by the OECD in order to to avoid double taxation (such as the equalization of levies) and the typology of the different incomes and profit streams generated in international business.

5. Study the fiscal rules governing non-residents as a reference point for learning about the effects of taxes on international transactions.
6. Analyze different forms of international fiscal planning.

## 2. SKILLS

### General Skills:

The main aim of the course is to develop the students' capacity to understand the effects the taxes of a government have on international trade.

GS1. To attain this, students will learn methods and analysis procedures that will allow them to investigate any situation, and will also help them to understand differences and similarities between systems of taxation.

GS2. This necessarily involves developing their ability to find information and select texts related to the taxes imposed by different countries, as well as improving their ability to form an argument based on the information and texts studied.

GS3. The content of this course facilitates the combination of self-study with some practical projects, which are to be carried out in groups or individually.

### Specific Skills:

SS1. Knowledge of the procedures required to evaluate fiscal burdens, as well as analysis of alternatives that allow comparisons to be made.

SS2. Knowledge of legislation relating to "non-residents" in Spain as a reference point for practical analysis of the fiscal burden borne of taxable transactions in Spain.

SS3. Study of international treaties regarding double taxation which guarantee neutrality in the enacting of taxation.

SS4. Analysis of the different forms of carrying out the same transaction in different fiscal jurisdictions, comparing the fiscal burden of each method.

There are no transversal skills

## 3. CONTENT

The course is separated into nine teaching units, with each unit subdivided into classes which reveal the key subject knowledge piece by piece.

### UNIT 1. THE SPANISH FISCAL SYSTEM: AN OVERVIEW

### UNIT 2 THE INTERNATIONAL FISCAL SYSTEM IN THE OECD COUNTRIES

### UNIT THREE: ACTION PLAN ON BASE EROSION AND PROFIT SHIFTING

**UNIT FOUR: NEUTRALISE THE EFFECTS OF HYBRID MISMATCH ARRANGEMENTS**

**UNIT FIVE: LIMIT BASE EROSION VIA INTEREST DEDUCTIONS AND OTHER FINANCIAL PAYMENTS**

**UNIT SIX: COUNTER HARMFUL TAX PRACTICES MORE EFFECTIVELY, TAKING INTO ACCOUNT TRANSPARENCY AND SUBSTANCE**

**UNIT SEVEN: PREVENT TREATY ABUSE**

**UNIT EIGHT: REQUIRE TAXPAYERS TO DISCLOSE THEIR AGGRESSIVE TAX PLANNING ARRANGEMENTS**

**UNIT NINE: DEVELOP A MULTILATERAL INSTRUMENT**

**Programación**

<b>First class</b>	<ul style="list-style-type: none"> <li>▪ Developed over two weeks</li> </ul>	The professor will develop the theoretical and practical facets of the material
<b>Lesson 2<sup>a</sup></b>	<ul style="list-style-type: none"> <li>▪ Developed over one week</li> </ul>	<ul style="list-style-type: none"> <li>• The professor will develop the theoretical and practical facets of the material</li> </ul>
<b>Lesson 3<sup>a</sup></b>	<ul style="list-style-type: none"> <li>▪ Developed over one week</li> </ul>	<ul style="list-style-type: none"> <li>• The professor will develop the theoretical and practical facets of the material</li> </ul>
<b>Lesson 4<sup>a</sup></b>	<ul style="list-style-type: none"> <li>▪ Developed over one week</li> </ul>	<ul style="list-style-type: none"> <li>• The professor will develop the theoretical and practical facets of the material</li> </ul>

<b>Lesson 5<sup>a</sup></b>	<ul style="list-style-type: none"> <li>▪ Developed over one week</li> </ul>	<ul style="list-style-type: none"> <li>• The professor will develop the theoretical and practical facets of the material</li> </ul>
<b>Lesson 6<sup>a</sup></b>	<ul style="list-style-type: none"> <li>• Developed over one week</li> </ul>	<ul style="list-style-type: none"> <li>• The professor will develop the theoretical and practical facets of the material</li> </ul>
<b>Lesson 7<sup>a</sup></b>	<ul style="list-style-type: none"> <li>• Developed over one week</li> </ul>	<ul style="list-style-type: none"> <li>• The professor will develop the theoretical and practical facets of the material</li> </ul>
<b>Lesson 8<sup>a</sup></b>	<ul style="list-style-type: none"> <li>• Developed over one week</li> </ul>	<ul style="list-style-type: none"> <li>• The professor will develop the theoretical and practical facets of the material</li> </ul>
<b>Lesson 9<sup>a</sup></b>	<ul style="list-style-type: none"> <li>• Developed over one week</li> </ul>	<ul style="list-style-type: none"> <li>• The professor will develop the theoretical and practical facets of the material</li> </ul>

### Schedule (Optional)

Week/sesion	Content
<b>1st</b>	First class Theory and Practical
<b>2nd</b>	First class Theory and Practical (cont.)
<b>3rd</b>	Second class Theory and Practical
<b>4th</b>	Third class Theory and Practical
<b>5th</b>	Fourth class Theory and Practical
<b>6th</b>	Fourth class Theory and Practical (cont.)
<b>7th</b>	Fifth class Theory and Practical

8th	Sixth class Theory and Practical
9th	Seventh class Practice and Practical
10th	Eighth class Theory and Practical
11th	Ninth class Practice and Practical
12th	Ninth class Practice and Practical (cont.)
13th	Tenth class Practice and Practical
14th	Tenth class Practice and Practical (cont.)

## 4. METHODOLOGIES FOR LEARNING AND TEACHING-EDUCATIONAL ACTIVITIES

### 4.1. Distribution of credits

<b>Face-to-face tutorials</b> 48 h	Theoretical classes:23h <ul style="list-style-type: none"> <li>▪ Practical classes: 23h</li> <li>▪ Tests: 2h</li> </ul>
<b>Self-study</b> 102 h	Independent work <ul style="list-style-type: none"> <li>▪ Self study</li> <li>▪ Preparation for tests and exams</li> <li>▪ Completion of exercises</li> <li>▪ Attending tutorials</li> <li>▪</li> </ul>
<b>Total Hours</b>	150

### 4.2. Methodological strategies, materials and educational resources

<b>Theoretical and practical sessions</b> (attendance credits)	Theory classes in large groups based on the methodology of the master class. <ul style="list-style-type: none"> <li>▪ Practical and theory classes, based on a methodology of moving from the course content to real-world examples, both past and present.</li> <li>▪ Analysis and debate of practical examples.</li> </ul>
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	Development of the practical elements on each topic of the
<b>Individual and group work (credits unrelated to attendance)</b>	<ul style="list-style-type: none"> <li>• Individual and group work, fact-finding, reading articles and studying cases that will help students to correctly understand the theoretical and practical concepts acquired in class.</li> </ul>
<b>Final evaluation</b>	<ul style="list-style-type: none"> <li>• Continuous evaluation of the course for the purpose of continuous evaluation)</li> </ul>

The teaching method utilizes a combination of theoretical classes regarding the applicable legal framework as well as practical classes. There are also face-to-face tutorials, the possibility of online tutorials and, where appropriate, assisted work projects.

Teaching will begin by focussing on the defining aspects of the legal framework of the topics contained within the course. Once these regulations are understood, students will go on to learn about real-world cases, which will require analysis, evaluation and clarification through the application of the relevant theories.

### **Theory classes**

The theory classes explain the fundamental aspects of each topic. In these classes, the professor will explain the basic concepts of the applicable legal taxation framework. The classes are given in the form of a lecture, with assistance from computational or audiovisual material, or material of a similar nature.

The classes aim to provide knowledge related to the subject through a cumulative process, beginning with the simple topics and finishing with more complex ideas.

### **Practical classes**

The material on this course is applied daily to millions of administrative transactions, and the content will be centered around solving real-world problems. This approach allows the students to attain a deep understanding of how taxes affect different entities.

As well as this general class outline, it is possible to dedicate all or part of a class to:

- answering questions or queries related to different exercises: As long as this is done with discretion and at the request of the students, these questions can be related to theoretical concepts, examples, or outcomes or hypotheses that have been studied and evaluated during the course.

- Practical workshops: In these classes the students will investigate examples and conventional hypotheses, the aim being that the students propose a solution that the professor will later examine and exhibit during the lectures.

The practical classes are structured to encourage the students to take the initiative and resolve the cases presented to them, basing their conclusions on the theoretical explanations seen in class or knowledge accumulated from independent study. Thus, the practical classes aim to refine their analytical abilities and generate an exchange of opinions, giving them a firmer grasp on the fundamental concepts of the subject. The time spent on each exercise will depend on its complexity.

### **Tutorials**

The face-to-face tutorials are in place to provide individual assistance to students, and are always available to provide support: The tutorials are complement to lectures and practical classes, not a substitute. Fundamentally, they aim to provide timely help to students who are having trouble understanding any of the material studied. The tutorials provide individual attention at a time to be decided by the professor.

### **Online Tutorials**

There is also the possibility of online tutorials, which will take place through the web page or via email with the professor. The student will be able to have any doubts, questions or queries answered individually and immediately, assisting the learning process.

### **Assisted work projects**

These are a way of putting the student's acquired theoretical knowledge into practice. These work projects can be undertaken by individual students or in a group, and will be presented and discussed in the practical classes.

"We will collaborate with the CRAI-Library professionals so that the students carry out an activity that develops the informational competences in the use and management of the information"

## **5. EVALUATION: Procedures and criteria of evaluation and qualification**

The normal process of evaluation is continuous evaluation of the student. Under the current rules, if the student does not participate in the process mentioned below, he/she will be recorded as "absent" from the regular programme of assessment. STUDENTS WHO WISH TO BE EXEMPT FROM CONTINUOUS EVALUATION must contact the Head of School (Director de la Escuela) or the Faculty Dean (Decano de la Facultad) in the first two weeks of teaching, explaining their reasons for desiring exemption from this process.

If this exemption is not requested, the student will be evaluated under the usual, continuous process. It will not be possible to change the form of evaluation once two weeks of teaching have passed.

Those students who are exempt from continuous evaluation will have to sit a final exam on the officially designated dates, which will examine their knowledge of the material studied in the course.

## A. System of Continuous Evaluation

This system requires an 80% attendance rate in all theoretical and practical classes. The students' knowledge will be evaluated thus:

- Different theoretical and practical works directed to evaluate the knowledge of the students, which will evaluate the knowledge of the legal and economic framework of taxes. Students are expected to demonstrate their knowledge by making different works.

These works form 80% of the final grade. These works are based on the material studied in the various units, and students who obtain an average grade of 5 or higher.

Students who achieve a grade of 5 or higher will be considered to have attained enough knowledge to pass the course.

Criteria of evaluation

These are the criteria of evaluation:

- Knowledge of the subject.
- Comprehension and communication of knowledge acquired.
- Ability to apply knowledge to real-world situations.
- Ability to interpret economic variables from a taxation viewpoint.

## 6. BIBLIOGRAPHY

### Useful Websites

- Agencia Estatal de la Administración Tributarias <http://www.aeat.es> Tax revenue annual report
- Instituto de estudios Fiscales <http://www.ief.es>
- Registro de Economistas Asesores Fiscales <http://www.reaf.es>

Fair and simple taxation:

[https://ec.europa.eu/taxation\\_customs/general-information-taxation/eu-tax-policy-strategy/package-fair-and-simple-taxation\\_en?pk\\_campaign=fairtaxation\\_phase1&pk\\_source=twitter&pk\\_medium=social](https://ec.europa.eu/taxation_customs/general-information-taxation/eu-tax-policy-strategy/package-fair-and-simple-taxation_en?pk_campaign=fairtaxation_phase1&pk_source=twitter&pk_medium=social)

Regressive of the VAT:

<https://dx.doi.org/10.1787/b76ced82-en>

The World Bank Group:

<https://www.worldbank.org/en/programs/business-enabling-environment>

Globalizing economies: Challenges to tax systems:  
[www.kpmg.com.pk](http://www.kpmg.com.pk)

## 7. INFORMATION NOTE

The University of Alcalá guarantees its students that, if due to health requirements the competent authorities prevent the total or partial presence of the teaching activity, the teaching plans would achieve their objectives through a teaching-learning methodology and evaluation in online format, which would return to the face-to-face modality as soon as these impediments ceased.