



جامعة الامير سلطان
PRINCE SULTAN
UNIVERSITY



رؤية VISION
2030
المملكة العربية السعودية
KINGDOM OF SAUDI ARABIA

Ms. Areej Alsukayt (Course Leader)
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Course Specification 2020-2021



Course Title:	VALUE ADDED TAX
Course Code:	ACC453
Program:	Bachelor of Science in Accounting (Zakat and Taxation track)
Department:	Department of Accounting
College:	College of Business Administration
Institution:	Prince Sultan University

National Accreditation



International Accreditation



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A. Course Identification

1. Credit hours: 3
2. Course type
a. University <input type="checkbox"/> College <input type="checkbox"/> Department <input checked="" type="checkbox"/> Others <input type="checkbox"/>
b. Required <input checked="" type="checkbox"/> Elective <input type="checkbox"/>
3. Level/year at which this course is offered: Year 4 (Semester 1)
4. Pre-requisites for this course (if any): ZAKAT AND TAX ACCOUNTING (ACC356)
5. Co-requisites for this course (if any): None

6. Mode of Instruction (mark all that apply)

No	Mode of Instruction	Contact Hours	Percentage
1	Traditional classroom		
2	Blended	3 Hours	100%
3	E-learning		
4	Distance learning		
5	Other		

7. Contact Hours (based on academic semester)

No	Activity	Contact Hours
1	Lecture	45
2	Laboratory/Studio	
3	Tutorial	
4	Others (specify)	
	Total	45

B. Course Objectives and Learning Outcomes

1. Course Description

With the introduction of value added tax in Saudi Arabia, accounting students are expected to fully understand and properly account for the VAT, from invoicing to recording entries and preparing VAT return forms. As such, this course provides an overview of the accounting treatment of the VAT according to the various type of goods and services. Additionally, this course also exposes the possible VAT treatments from multiple sources, possible challenges and questions in order to help businesses in the country to understand the likely impact from adopting VAT on their operations and financial accounts. This course is offered as part of the Zakat and Tax accounting tracks.

In the program proposed study plan students will commence specialization according to their chosen tracks in Year 4 Semester 1. Students may choose their track at the end of Year 3, Semester 1.

2. Course Main Objective

The emphasis of this course is to gain an in-depth practical knowledge of the VAT legislation and get a clear understanding of the principles of VAT and application of the framework as it applies in the Saudi Arabia. On successful completion of this course, students may apply for the VAT Compliance Diploma exam from the Association of Taxation Technicians (ATT), UK.

3. Course Learning Outcomes

CLOs		Aligned PLOs
1	Knowledge and Understanding	
1.1	Describe the way in which VAT operates, particularly in respect of output tax and input tax.	PLO 1.1
1.2	Identify how VAT applies to international transactions of both goods and services	PLO 1.2
2	Skills :	
2.1	Categorize some of the more important administrative issues that VAT requires	PLO 2.1
2.2	Explain the impact of exemption in VAT and how tax is calculated by businesses that deal in exempt supplies	PLO 2.1
3	Competence:	
3.1	Understand the relevant professional ethics and legal issues when dealing with VAT	PLO 3.2

CLOs		SAQF PLOs	AACSB LO	AACSB LG	Level of Instruction AACSB*
1	Knowledge:				
1.1	Describe the way in which VAT operates, particularly in respect of output tax and input tax.	PLO 1.1	LO 1.1	LG1	
1.2	Identify how VAT applies to international transactions of both goods and services	PLO 1.2	LO 1.2	LG1	
2	Skills:				
2.1	Categorize some of the more important administrative issues that VAT requires	PLO 2.1	LO 2.1	LG2	

2.2	Explain the impact of exemption in VAT and how tax is calculated by businesses that deal in exempt supplies	PLO 2.1	LO 2.1	LG2	
3	Competence:				
3.1	Understand the relevant professional ethics and legal issues when dealing with VAT	PLO 3.1	LO 3.1	LG3	

Note: AACSB: I = Introduced; R = Reinforced; M = Mastery

C. Course Content

No	List of Topics	CLO alignment	Alignment with professional qualification						Contact Hours	
			ACCA	ICAEW	CIMA	CIPFA	AIA	CMA		
1	Introduction to value added tax <ul style="list-style-type: none"> • General How the tax works • Advantages and disadvantages • Registration and tax period 	CLO 1.1	ATX TX	T			T			3
2	Groups <ul style="list-style-type: none"> • Joining a tax group • Amending a tax group • Implications of tax group treatment • Tax grouping in special cases 	CLO 2.2								3
3	Basic characteristics of taxable supplies – Goods and service <ul style="list-style-type: none"> • Transactions subject to VAT – basic rules • Definition of supplies • Liability of supply • Zero rated supply • Exemption of supply • Deemed supplies 	CLO 1.1	ATX TX	T			T			9
4	Time and value of supply <ul style="list-style-type: none"> • Place of supply -goods • Place of supply- services 	CLO 2.1								3

5	<p>Deduction and recovery of input tax</p> <ul style="list-style-type: none"> • Categories of input tax • Eligibility for deduction • Deduction of general overheads and non-attributable costs • Restricted input tax • Other issues – timing for VAT deduction, adjustment of input tax deduction, special cases, proportional deduction, alternative methods, penalties. 	CLO 2.1	ATX TX	T		T			6
6	<p>Administrative elements of VAT</p> <ul style="list-style-type: none"> • VAT Records and Returns • Accounting for VAT • The Authority powers, Appeals and Assessments • Penalties for errors, failure to notify and other penalties • Refunds, Repayment supplement and security 	CLO 2.1	ATX TX	T		T			6
7	<p>International aspects – imports and exports</p> <ul style="list-style-type: none"> • Import/export of goods • Import/export of services • Provision from/to GCC and other GCC states • Special cases 	CLO 2.2	ATX TX	T PBT	FIC	T	Paper 5 Section B	AT X	3
8	<p>Real Estate</p> <ul style="list-style-type: none"> • VAT Treatment of Real Estate – sale, rental and construction of real estate • Place of supply • Input VAT deduction • VAT reporting 	CLO 2.2							3
9	<p>Capital Asset Scheme</p> <ul style="list-style-type: none"> • Key concepts of capital assets – what are capital assets, purchase value, improvements to existing 	CLO 1.2							6

	<ul style="list-style-type: none"> capital assets, supply and disposal of capital assets • Input VAT deduction • Capital assets adjustments 								
10	Groups <ul style="list-style-type: none"> • Joining a tax group • Amending a tax group • Implications of tax group treatment • Tax grouping in special cases 	CLO 2.2							3
11	Profit Margin Scheme <ul style="list-style-type: none"> • What is profit margin scheme • Applicability for supply of goods and services • Conditions under the scheme 	CLO 1.1	ATX TX	T		T			3
Total									45

D. Teaching and Assessment

1. Alignment of Course Learning Outcomes with Teaching Strategies and Assessment Methods

Code	Course Learning Outcomes	Teaching Strategies	Assessment Methods
1.0	Knowledge and Understanding		
1.1	Describe the way in which VAT operates, particularly in respect of output tax and input tax.	A combination of lectures, discussion and case studies	Major exam, assignment, and case studies
1.2	Identify how VAT applies to international transactions of both goods and services	A combination of lectures and tutorials	Online quizzes, major exam, final exams, assignments and homework
2.0	Skills		

2.1	Categorize some of the more important administrative issues that VAT requires	Lectures, tutorial and in class exercises	Online quizzes, major exams, final exams, assignments and homework
2.2	Explain the impact of exemption in VAT and how tax is calculated by businesses that deal in exempt supplies	Lectures, tutorial and in class exercises	Major exams, case studies, assignments, and final exams
...			
3.0	Values		
3.1	Understand the relevant professional ethics and legal issues when dealing with VAT	A combination of lectures and discussions	case studies and assignments,

2. Assessment Tasks for Students

#	Assessment task*	Week Due	Percentage of Total Assessment Score
1	Assignments, Quizzes, Homework, In class exercises and participation	Continuous	20%
2	Major Exam I	6	20%
3	Major Exam 2	13	20%
4	Final Exam	16	40%

*Assessment task (i.e., written test, oral test, oral presentation, group project, essay, etc.)

E. Student Academic Counseling and Support

Arrangements for availability of faculty and teaching staff for individual student consultations and academic advice:

Instructors allocate six office hours per week for students' consultation. In addition, students are welcomed anytime by appointment if they cannot come during the office hours.

F. Learning Resources and Facilities

1. Learning Resources

Required Textbooks	Guidelines from General Authority of Zakat and Tax https://www.vat.gov.sa/en/guidelines
Essential References Materials	To be advised in class
Electronic Materials	Moodle (LMS)

2. Facilities Required

Item	Resources
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<p>Accommodation (Classrooms, laboratories, demonstration rooms/labs, etc.)</p>	<ul style="list-style-type: none"> Classroom with 25 seating capacity
<p>Technology Resources (AV, data show, Smart Board, software, etc.)</p>	<ul style="list-style-type: none"> Smartboard (Overhead projector and Screen) Whiteboard LMS, Google Meet CMA Learning Resources
<p>Other Resources (Specify, e.g. if specific laboratory equipment is required, list requirements or attach a list)</p>	Laptop

G. Course Quality Evaluation

Evaluation Areas/Issues	Evaluators	Evaluation Methods
Effectiveness of teaching and assessment	Course leader Program leaders	Direct assessment – Classroom observation Indirect assessment - Course Evaluation Survey
Extent of achievement of course learning outcomes	Faculty	Direct assessment – Academic assessment (AOL) Rubrics assessment Indirect assessment Course Evaluation Survey
Quality of learning resources	Student	Indirect assessment Course Evaluation Survey
Action Plan continuity (Closing the loop)	AOL Committee and course leaders	AOL Report

Evaluation areas (e.g., Effectiveness of teaching and assessment, Extent of achievement of course learning outcomes, Quality of learning resources, etc.)

Evaluators (Students, Faculty, Program Leaders, Peer Reviewer, Others (specify))

Assessment Methods (Direct, Indirect)

H. Specification Approval Data

Council / Committee	Department of Accounting Council
Reference No.	Term 202, Meeting No. 6
Date	May 6, 2021