

Study on Practicality of Tax Law Course in Accounting Major

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Abstract

Accounting staff play a more and more important role in enterprises and the ability to handle tax related business is one of the necessary abilities of accounting staff. At present, some problems exist in system setting, content teaching, textbook construction, teaching method and so on of tax law course in institutions of higher learning. The society has proposed new subjects in higher education of tax law course in accounting major. How to cultivate application based accounting staff with solid theoretical basis and strong capacity in practical operation is an issue that needs to be urgently resolved by higher education practitioners.

Keywords: Practicality of teaching, Application based talents, Tax law course, Tax related business

The Ministry of Finance clearly pointed out in carrying out “Medium and Long-term Development Plan for Accounting Talents (2010-2020)” that, financial sectors at all levels have to facilitate constructing strategic alliances of industries, universities and research institutes in which employment units are the subject and market is the orientation and promote mode of cultivation of accounting talents in which teaching of universities is the subject and practice in employment units is complementary. All fields of the society ought to perform social responsibilities, set up a platform for cultivation of accounting talents and facilitate cultivation of application based talents together. The so-called application based accounting talents ought to possess some professional knowledge in finance and accounting as well as tax administration, have necessary business working competence and the ability to analyze problems and resolve problems and be useful to the society. Hence, it can be seen that, whether one possesses the ability to handle tax related business has become an important reference standard for measuring professional quality of accounting talents.

1. Summary of Practicality of the Course of “Tax Law”

1.1 Concept of Practicality of Tax Law Course

Practicality of tax law course requires students to possess such operational capacity of tax related business accounting and tax declaration, etc., in the financial work and cultivates application based accounting talents.

1.2 Cultivation Target of Tax Law Course

In order to enhance students’ ability to handle tax related business and cultivate application based accounting talents, the cultivation target of tax law course is to cultivate the ability of students in the following three aspects through teaching:

- 1) Calculation capacity of the major items of taxation and tax payment in enterprises
- 2) Capacity of filling in the tax declaration table
- 3) Capacity to handle accounting and financing in major tax related business

However, in the practical teaching process, there exist a series of problems in teaching content, teaching method, textbook construction, teaching staff team and so on of the course of tax law, which is unfavorable for realization of the target of the tax law course and needs to be urgently researched and resolved.

2. Problems Existing in the Course of “Tax Law”

2.1 Unreasonable Setting of the Series of Tax Law Courses in the Cultivation Project

At present, Changchun University of Science and Technology sets up the tax law course for 64 class hours for the undergraduate accounting majors at the third school semester and sets up the course of “tax accounting” for 32 class hours at the sixth school semester, the result of which is that both of the two courses have not been able to achieve perfect teaching effects. Teaching of part of content in the course of “tax law” depends on the course of “tax accounting”. For example, methods of value-added tax and export rebates, especially “tax exemption, commutation tax and tax reimbursement” in export rebates of producing enterprises, need to depend on teaching of accounting entry for students to easily understand these methods. However, limited by the class hours, there is no way to go deep into teaching of the tax law articles and legal spirits. Likewise, teaching of the course of “tax accounting” might be based on relevant accounting content that has been opened by seldom taught in the course of “tax law”, and might be less concerned with such important content as differences between tax law and accounting. The result of such setting of courses may cause students’ learning of both of these two courses to go out of line and make them unable to connect closely calculation of tax payment together with financial accounting. Or they might have forgotten the content of the course of “tax law” when they learn the course of “tax accounting” and are unable to deeply comprehend such important content as formation of differences between tax law and accounting, the principles of treatment problems and practical operation, etc., which is where the quintessence of the course of “tax accounting” lies.

2.2 Unsystematic Teaching Content

The course of “tax law” for 64 class hours can only relatively teach the major items of tax, such as, value-added tax, consumption tax, turnover tax, business income tax, individual income tax and so on, whereas some important minor items of tax can’t be explained due to time limit, such as, resources tax, stamp tax, house tax, vehicle and vessel tax, city and town land use tax and so on, which makes the tax law system incomplete.

Since the course of “tax accounting” for 32 class hours has to review knowledge in tax law of the major items of tax that have been learnt before and has to ask students to learn knowledge in tax law of those minor items of tax that have not been learnt, there is no enough class hours to thoroughly learn the accounting treatment and tax declaration of the 19 items of tax.

2.3 Single Teaching Method and Laggard Teaching Method

2.3.1 Lack of availability and interaction in the course of tax law

For the time being, teaching of the course of “tax law” is mostly lecturing, lacking in availability and interaction. Since the teaching content of tax law is detailed and rich and the theory and practicality is strong, under the circumstance when the teaching plan has limited class hours, teachers have to use quite a lot of time to explain the system and regulations in order to finish the content of the textbook. Due to the teaching time, case method can also only teach some individual items of taxation and can neither be conducted in an overall way nor can employ heuristic teaching and classroom discussion, etc., which are both teaching methods with much time consuming. As a result, the originally abstract theory becomes more tedious and boring and there is no possibility for students in the accounting major to connect tax clauses together with such specific practices as accounting of financial business and tax declaration, etc., which seriously affects the learning effects of students. Although Changchun University of Science and Technology employs such modernization teaching means as multi-media in the process of teaching, there is no way to fundamentally resolve the status quo of single teaching method and laggard teaching means.

2.3.2 Vacancy of practice

At present, the course of tax law in our university has not had any practical aspect. Therefore, students can only look up for knowledge in tax declaration from the books. Since students are not given an opportunity to fill in the tax declaration table by themselves, they have no way to grasp the entire flow in reporting tax returns.

3. Specific Measures to Enhance Practicality of the Course of “Tax Law”

3.1 To Modify the Cultivation Project and to Integrate Teaching Content of Tax Law

3.1.1 To realize integration of job position and course and to integrate the two courses of tax law with tax accounting. After each item of taxation is learnt, students are required to practice related financial accounting treatment. Through the above integration, integration of tax related tax payment calculation, tax declaration and accounting finance treatment is realized in enterprises.

3.1.2 To modify the course of tax law from the theoretical teaching model in which memorizing legal clauses is the major content into the operation and skill cultivation and teaching model in which tax payment calculation, filling in

the tax declaration table and the capacity of treating with tax related accounting are the major content.

3.1.3 To design the teaching content of each class driven by task, conduct teaching content with case method and improve position skills by asking students to manipulate the operation.

The specific teaching project is modified as follows. To integrate the content of the two courses and to set up the course of “tax law and ratepaying practice” in the next school semester when the course of “tax accounting” is opened, namely, in the fourth or fifth school semester, which should have a total of 96 class hours, with 76 theoretical class hours and 20 practical class hours. To set up a teaching internship week (30 class hours) during the school semester when the course of “tax law and ratepaying practice” is set up, which is mainly to train students’ skills in calculation and final settlement of income tax. The total class hours have not had any change, but the course system is made perfect.

3.2 To Construct Tax Law Textbook with Strong Practicality

At present, Changchun University of Science and Technology selects the textbook used by Certified Public Accountant (CPA) for the course of “tax law”. It is true that the CPA textbook has the features of timeliness and advancement, but the CPA textbook is compiled for the purpose of examination, in which there is no tax accounting and tax declaration. We can compile practical textbook of “tax law and ratepaying practice” based on the textbook of CPA tax law. The content of the textbook can be centered by the financial accounting treatment and tax declaration of each item of taxation, supplemented by the self-compiled textbook, which not only resolves the problem of textbook timeliness and systemativeness, but also resolves the problem of practicality of the textbook.

3.3 To Enhance the Practical Operation and Teaching Level of Teachers

3.3.1 To cultivate the teaching staff team of “double qualified” and encourage teachers to participate in examinations of “CPA” or “Certified Tax Agent”, to enhance the professional quality of tax law and improve the practical operation skill of tax agents.

3.3.2 To encourage teachers to go to accounting firm and tax agent firm for internship and take part in a project group, especially projects about tax related identification operation, calculation and final settlement of income tax, tax agency business, tax related consultation service business and transferring pricing business and to ask teachers to get into more touch with practices in enterprises so as to broaden the vision of teachers and enhance the practical operation and teaching skills of teachers.

3.4 To Strengthen Practical Teaching and to Improve Students’ Skills in Declaring the Tax

3.4.1 Design of practical teaching on campus

In the first place, we can construct laboratory for practical teaching of “tax law”. Construction of laboratory for practical teaching of “tax law” can better conduct tax law practice. However, considering the specific condition of our university, the laboratory can be constructed together with accounting laboratory. The laboratory can be equipped with experimental data, teaching case and tax software to enable students to actually simulate the taxpayer and prepare financial statements, make tax declaration and treat with accounting according to business in the enterprises, so as to make students to have a more comprehensive, specific and intuitive idea about tax levy scope of each tax item, calculation and declaration of tax amount payable and accounting treatment.

In the second place, we can set up the case library for practical training of “tax law” and select authentic raw material for different items of taxation and different taxpayers and then sort out and compile the case library. The case library should achieve the following requirements:

On one hand, we should design case study for single item of taxation in the case of important items of taxation, such as, case study for value-added tax, case study for consumption tax, case study for business tax, case study for land value increment tax, case study for business income tax and case study for individual income tax. Meanwhile, we should typical case studies for different enterprises of a particular item of taxation. For example, in the case study of consumption tax, we should design case studies for different enterprises according to different tax items and tax rates in the tax levy of consumption tax, such as, tobacco, liquor, makeup, disposable chopsticks and refined oil product, etc., so as to enable students to have an overall grasp of tax amount calculation, tax declaration and accounting treatment of the consumption tax. In the case of business income tax, we should design the case studies for manufacturing enterprises, commercial enterprises and service enterprises, so as to exercise students’ capacity in calculation and final settlement of business income tax in different industries. In the case study for business tax, we should design different case studies for transportation industry, construction industry, cultural and sports industry, financial industry, post and telecommunication industry and service industry, etc., so as to enable students to have an overall grasp of the tax amount calculation and tax declaration of the business tax of the two major industries. On

the other hand, we should design an overall case study which involves multiple items of taxation for one enterprise, such as, value-added tax (a general taxpayer), consumption tax, business tax, urban maintenance and construction tax, additional tax of education expenditure, city and town land use tax, house tax, vehicle and Bessel tax, withhold and remit tax of individual income tax and business income tax, etc., so as to exercise students' ability to treat with tax related business in enterprises with an overall employment of different kinds of items of taxation.

3.4.2 Design of practical teaching outside the school

Firstly, we can invite, at a regular interval, working staff of tax department to go to our university to explain relevant tax declaration flow. Or we can ask students to go directly to the tax hall to listen to explanation of the working staff on the scene, such as, authentication flow and the do's and don'ts of special VAT invoices.

Secondly, we can construct practice base outside the school. Accounting and accounting declaration is a profession with strong practicality. However, due to sensitivity and confidentiality of the financial accounting work, internship of students outside the school is difficult to achieve the effect of a practical training. We can then explore construction of practical training base outside the school with integration of "university-accounting firm-enterprise", and can conduct wide cooperation with tax accountant and accounting firms. At the seasons when the tax accountant and accounting firms are in short of staff, we can arrange some students to go to the tax accountant firm at their spare time to serve as an assistant and enter the enterprises to participate in actual tax related business treatment. Through construction of practice base outside the school, on one hand, we have offered a platform for students to take part in practical activities, and, on the other hand, we can strengthen connection between universities and intermediary agencies and enterprises and give information feedback about relevant tax law to the teaching staff of the university and further improve the practical teaching level.

All in all, in order to cultivate application based accounting talents who fit with the social demands and have strong problem solving competence, we have to begin with practicality of the course of tax law.

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