

## **CORPORATE INCOME TAXATION**

Degree in Taxation

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Code: 12126

Main Scientific Area: Taxation

Lecturer: Luis Filipe da Costa Ferreira Esteves

Language of Instruction: Portuguese

Regime: S1

Contact Hours: 75h Total Workload: 121h

ECTS: 7,0

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### **Objectives**

This course aims to provide students with comprehensive knowledge of corporate income taxation in the context of the Portuguese tax system through a balanced approach between practical perspective and critical analysis of law, jurisprudence and doctrine. In addition to the basic operations of quantification of the tax amount in general and special schemes, it is intended to enable students to understand the corporate income taxation under the structural principles of national, international and communitarian taxation, and apply the knowledge acquired in a professional environment combining the ability to respond to specific problems, to challenge the entrenched positions and to propose alternative solutions.

### **Learning Outcomes**

On completion of this course, students should be able to:

- Understanding the link between accounting income and taxable income;
- Distinguish the tax rules applicable to residents and non-residents;
- Recognize and quantify the tax adjustments to income and expenditure accounts;
- Understand the obligations of withholding and payment on account and the special payment on account;
- Relate accounting and taxation;
- Be familiar with tax returns and timing of tax returns;
- Have self-confidence in solving tax problems, in the personal or business level;
- Be prepared for future changes in the law and interpret the real consequences of these changes;
- Formulate and resolve problems concerned to the Portuguese corporate taxation.

### **Course Contents**

1. The Corporate Income Tax in the context of other taxes in the Portuguese Tax System

1.1. The origin and historical background of the Corporate Income Tax

1.2. Tax Characterization

1.3. Scheme for calculating Corporate Income Tax

2. Taxable persons

3. Taxable income

3.1. Resident taxable persons

3.1.1. whose main activity is of commercial, industrial or agriculture nature

3.1.2. whose main activity is not of commercial, industrial or agriculture nature

3.2. Non-resident taxable persons

3.2.1. with a permanent establishment

3.2.2. without a permanent establishment

4. Territoriality

4.1. Resident taxable persons

4.2. Non-resident taxable persons

4.2.1. Income obtained in Portuguese territory (reference to final withholding)

4.2.2. Concept of permanent establishment

5. Tax transparency

6. Tax period

7. Exemptions

8. The computation of taxable net revenue

8.1. Resident taxable persons whose main activity is of commercial, industrial or agriculture nature

8.1.1. Scheme for calculating the tax amount - from the accounting result to the taxable result

8.1.2. Determination of taxable income

8.1.3. Tax adjustments to income and expenditure accounts

8.1.4. Fiscal losses regime

8.2. Resident taxable persons whose main activity is not of commercial, industrial or agriculture nature

8.2.1. Determination of Global Income

- 8.2.2. Allocation of common costs
- 8.3. Non-resident taxable persons
  - 8.3.1. with a permanent establishment
  - 8.3.2. without a permanent establishment
- 9. Tax Rates
  - 9.1. General rates
  - 9.2. Final withholding rates
  - 9.3. Autonomous taxation
- 10. Tax credits (origin and scope of several tax credits)
- 11. Withholding tax obligations
- 12. Payment of tax amount
  - 12.1. Final payment
  - 12.2. Payment on account
  - 12.3. Special payment on account
- 13. Accessory obligations
  - 13.1. From the taxable persons
  - 13.2. From public and private bodies
- 14. Surveillance and guarantees of taxpayers
- 15. Supervision and safeguards of taxpayers
- 16. Special situations and schemes.

### **Recommended Bibliography**

Código do IRC.

Estatuto dos Benefícios Fiscais.

Código Fiscal do Investimento.

Decreto Regulamentar n.º 25/2009, de 25 de novembro.

AT, Modelos e Formulários relacionados com o IRC.

OCC, Abílio Sousa, Preenchimento da declaração modelo 22 de IRC , OCC.

AT, Manual do Quadro 07 da Modelo 22 do IRC, Disponível para download no portal da AT.

Manual do IRC. AT- Direção de Serviços de Formação. Edição da Autoridade Tributária e Aduaneira. 2016.

### **Learning and Teaching Methods**

The analysis of tax certificates, or the theoretical point of view, or perspective view of solving practical situations of enterprises, promoting the critical spirit, strengthens the aim of training professionals with solid theoretical training combined with an ability to solve the real problems of companies.

As future professionals in the field of accounting and Taxation, students should know in depth the taxation of legal persons and their application in a national and international context. In this context, the syllabus were defined based on the objectives to be achieved, as well as skills to be acquired by students.

There is already some harmonization of income taxation at EU level, the approach will have to also focus on transnational relations, taking into account the transactions and entities which exert their activity, knowing their rights and responsibilities, deadlines and formalities associated the adherence and the means to react in case of disagreement with the actions of the tax authorities.

In each of the domains approach it aims to develop a critical spirit and initiative for students who are pursuing or will pursue activities in the accounting-tax to be able to identify best practices and, independently, how to apply them to the reality of each entity.

### **Assessment Methods**

In this curricular unit will be used the following method of continuous evaluation:

- Evaluation through 2 tests (45% + 55%); The minimum grade in each of the tests is 7 values.

At the time of appeal, the assessment consists of carrying out an exam (100%).