REPORT OF THE BOARD OF EXAMINERS FOR 2023–2024

EXAMINATION FOR THE DEGREE OF MSC IN TAXATION

PART I

STATISTICS

Category	Number			Percentage (%)		
	2023/24	2022/23	2021/22	2023/24	2022/23	2021/22
Distinction	7	9	(11)	23	24	(29)
Merit	15	16	(17)	50	42	(45)
Pass	17	3	(8)	23	8	(21)
Fail	1	2	(1)	3	5	(3)
Total	30	28	27			

Please include numerical detail of any vivas which were held, with an indication of the effect of any vivas on classes or results.

Vivas are not used in the MSc in Taxation.

Marking of scripts

Scripts and essays were marked and, where appropriate, second marked in accordance with established practice, as set out in the MSc in Taxation Examination Conventions. Final marks were agreed between the two markers before the Examination Board meeting.

Results were released following interim Examination Board meetings in April and June; the final exam board sat in October 2024

Scaling was not used in the 23/24 academic year.

NEW EXAMINING METHODS AND PROCEDURES

B. Please state here any new methods and procedures that operated for the first time in the 2023/24 academic year with any comment on their operation in the examination and on their effectiveness in measuring the achievement of the stated course objectives.

There were no new examining methods or procedures employed for the first time in 2023/24.

C. Please summarise any **future or further** changes in examining methods, procedures and examination conventions which the examiners would wish the faculty/department and the divisional board to consider. Recommendations may be discussed in further detail under Part II.

There are no future or further changes in examining methods, procedures or examination conventions planned for the MSc in Taxation going forward.

D. Please describe how candidates were made aware of the examination conventions to be followed by the examiners and any other relevant examination information.

The Examination Conventions for 2023–24 were emailed to all candidates and made accessible on Canvas for all candidates to view.

The Examiners' Notice to Candidates for 2023–24 was emailed to all candidates and made accessible on Canvas for all candidates to view.

PART II

A.   GENERAL COMMENTS ON THE EXAMINATION

Statistical Trends
Generally, standards of performance in each assessment have been in line with previous years, however we have this year seen a greater increase in the number of dispensations, appeals, or long extensions.

One candidate has failed but has been offered resits.

Timetable and Schedule of Deadlines
Candidates were required to complete nine courses over two years—three compulsory courses and six elective courses. The norm was for candidates to take five courses in year 1 and four in year 2. With permission, they could take four courses in year 1 and five in year 2, or six courses in year 1 and three courses in year 2.

With permission, a 12,000-word dissertation in lieu of two elective courses could be submitted in year 2.

The assessment regime involved the writing of an extended essay for the Tax Research Round Table course. The remaining courses employed one of the following options: (i) two 3,000-word essays or (ii) one 3,000-word essay and one 3,000-word case study or problem question.

All assessments were submitted electronically via Inspera. Candidates had at least eight weeks to write and submit their assessments.

Turnitin
Turnitin software was used to check for plagiarism on all assessed essays. Candidates submitted electronic copies of their essays via Inspera which automatically checked the essays through Turnitin. Results were provided to the Chair of the Examination Board prior to exam board meetings; any submissions of particular concern were brought to the exam board for further consideration.

Plagiarism, Poor Academic Conduct and Late Submission of Essays
Notes on plagiarism have been included confidentially in section E/appendix 3 of this report.

Numerous extensions permitting late submission of work were granted by the Proctors throughout the year. These were managed carefully by administrative staff and most candidates submitted before their extended deadlines; a few had late penalties imposed where these were missed.

Setting of Papers
The Board of Examiners reviewed all draft papers carefully via the secure Law PG Examining SharePoint site prior to release. Exam Board members made text changes for clarity and

B.   EQUALITY AND DIVERSITY ISSUES AND BREAKDOWN OF THE RESULTS BY GENDER

[Unclassified]

	2023/24						
	Total	Male	% of Male	% Cohort	Female	% of Female	% Cohort
All grades	30	18		60	12		40
Distinction	7	5	28		2	17	
Merit	15	9	50		6	50	
Pass	7	1	6		4	33	
Fail	1	3	17				
Incomplete							
	2022/23						
	Total	Male	% of Male	% Cohort	Female	% of Female	% Cohort
All grades	38	21		55	17		45
Distinction	9	4	19		5	29	
Merit	16	9	43		7	41	
Pass	3	2	10		1	6	
Fail	2	2	10		0	0	
Incomplete	8	4	19		4	24	
	2021/22						
	Total	Male	% of Male	% Cohort	Female	% of Female	% Cohort
All grades	38	28		74	10		26
Distinction	11	9	32		2	20	
Merit	17	12	43		5	50	
Pass	8	5	18		3	30	
Fail	1	1*	4		0	0	
Incomplete	1	1	4		0	0	

Seven of the 30 candidates received a distinction (23%), 15 received a merit (50%) and 7 received a pass (23%). This is roughly the same number of distinctions and merits as in 2023, when 9 of the 38 candidates received a distinction (24%), and 16 received a merit (42%).

Five men, out of 18, obtained a distinction (28%); a higher number than in 2023, where 4 out of 21 received a distinction (19%). 9 received a merit (50%); a slightly higher percentage as in 2023 where 9 out of 21 received a merit.

Two women, out of 12, obtained a distinction (17%), a lower figure than in 2023 when 5 out of 17 women received a distinction (29%). 6 received a merit (50%), a slightly higher percentage than 2023 where 41% of women received a merit.

This cohort had a slightly less equal gender split completing the degree (40% women, 60% men) than in the past two years. The Admissions Committee continues to make efforts to recruit an even gender split.

There are no discernable differences in achievement between assessment methods (standard essays, extended essays, problem questions, dissertations). The MSc in Taxation is planning to monitor this more closely going forward.

C.   DETAILED NUMBERS ON CANDIDATES' PERFORMANCE IN EACH PART OF THE EXAMINATION

Attached as Appendix 1 are the marks distribution between the courses in 2023–24.

D.   COMMENTS ON PAPERS AND INDIVIDUAL QUESTIONS

Attached as Appendix 2 are the Reports on the Examination of Individual Courses.

E.   COMMENTS ON THE PERFORMANCE OF IDENTIFIABLE INDIVIDUALS AND OTHER MATERIAL WHICH WOULD USUALLY BE TREATED AS RESERVED BUSINESS

The total number of mitigating circumstances submissions made to the final board of examiners (which sat on 15 October 2024) was 11; six year-2 student submissions, and five year-1 student submissions.

To date, none of the MCE notices had a material impact on the results or classifications of students.

F.   NAMES OF MEMBERS OF THE BOARD OF EXAMINERS

Edwin Peel (Chair of Examiners)
Tsilly Dagan (Internal Examiner)
Michael Devereux (Internal Examiner)
Ann Mumford (External Examiner)

APPENDIX 1:

DETAILED NUMBERS ON CANDIDATES' PERFORMANCE IN EACH PART OF THE EXAMINATION

Paper Name	Avg. Mark	No. Sitting	Mark Ranges (No.)					
			49/less	50/54	55/59	60/64	65/69	70/over
2023–24 Core Courses								
Tax Principles and Policy	65.9	30	0	1	4	2	17	6
Principles of International Taxation	66	30	0	1	1	8	13	7
Tax Research Round Table	66.7	30	0	1	1	6	11	11
Electives (2023–24)								
Dissertations	65.3	4	0	0	0	1	3	0
Current Issues in Taxation	65.0	16	0	2	1	2	9	2
Ethical Issues in Tax Practice	69.2	6	0	0	0	2	2	2
EU Tax Law	60.4	15	1	1	1	1	5	6
Rereading Classic Texts	69.8	9	0	0	0	0	4	5
Tax & Development	64.2	14	1	0	0	2	9	2
Tax & Human Rights	68.2	9	0	0	0	1	4	4
Tax & Public Policy	66.7	17	0	1	4	10	2	1
Tax Treaties	61.5	23	1	0	3	5	13	1
Taxation of Corporate Finance	67.4	14	0	0	1	0	10	3
Transfer Pricing	67.7	12	0	0	0	2	5	5
UK Taxation of Global Wealth	68.3	5	0	1	0	0	3	1
UK Corporate Tax	66.4	6	0	1	0	0	5	10
US International Tax	65.3	12	0	1	0	3	5	3
VAT	67.6	14	0	0	0	5	5	4

EXAMINER REPORT

Name of Paper	**EU Tax Law in the Global Context – Final Exam**
No. of students taking paper	**8**

Summary reflections on the paper as a whole

Please comment on the distribution of questions answered, the overall quality of the scripts, the distribution of marks and anything else worth noting and learning from (including suggested actions).

> *The exam posed two essay questions, of which one question represented a legal problem and another one had a policy focus. Each had a word limit of 3000 words. The first question aimed to assess students' ability to read and interpret the case law of the Court of Justice of the European Union (CJEU). The second question tested their ability to discuss topical issues of EU tax policy. A good proportion of students have received a distinction-level mark, which is indicative of the generally high level of knowledge acquired by students during this course.*

Brief remarks on individual questions

Please note the number of students answering the question, the range of marks, the overall quality of answers, notable weaknesses in the answers (and/or question) and anything else worth reporting and learning from (including suggested actions).

Question 1	
No. of students who answered this question	7
Range of marks	60-73
Comments	

The examiners assessed students' knowledge and understanding of case law and their capacity to apply this understanding effectively to the question. Good answers were well-structured and comprehensive responses that addressed the question. Such answers did not only focus on analysing the CJEU's judgements in Case C-446/03 Marks and Spencer, Case C-414/06 Lidl Belgium and Case C-538/20 W AG, but also have done so from the perspective of legal certainty. Excellent responses articulated a clear position, supported by evidence, and demonstrated a nuanced understanding of the case law and its implications. Where students failed to directly address the question, omitted substantive aspects in their case law analysis or provided largely descriptive responses, this resulted in lower marks.

Question 2	
No. of students who answered this question	6
Range of marks	65-71
Comments	

The second question challenged students to assess the need for replacing the unanimity rule with qualified majority voting for direct tax matters within the EU. Whilst the question was not difficult in substance, it tested the ability of students to critically evaluate the arguments which has been expressed by supporters and opponents of this procedural change. Good answers demonstrated strong analytical abilities exploring both the strengths and limitations of the current decision-making rule and the proposed alternative. Excellent answers integrated legal, economic and policy perspectives when discussing the question. This question required students to analyse a sizeable volume of facts, identify the key points and build a coherent argument. Answers that merely described various regulatory approaches without offering a critical assessment received lower marks.

EXAMINER REPORT

Name of Paper	**Principles of International Tax**
No. of students taking paper	**27**

Summary reflections on the paper as a whole

Please comment on the distribution of questions answered, the overall quality of the scripts, the distribution of marks and anything else worth noting and learning from (including suggested actions).

Students were required to answer one question from Section A (questions 1 – 4) and one question from Section B (questions 5 – 6). The overall quality of scripts this year was high and the examiners were pleased to see the clear effort that had gone into preparing the answers to the questions. As well as the usual qualities of clear argumentation, sticking to the question and avoiding irrelevant or tangential materials, the best students had read both widely and deeply across the reading list. They were then able to use materials from across multiple topics of the reading list to offer a more nuanced perspective in their answers.

Brief remarks on individual questions

Please note the number of students answering the question, the range of marks, the overall quality of answers, notable weaknesses in the answers (and/or question) and anything else worth reporting and learning from (including suggested actions).

Question 1	
No. of students who answered this question	7
Range of marks	63-72
Comments	
This was a historical question that asked students to examine more recent developments in international tax in light of its previous developments. Students demonstrated an excellent knowledge of the history of the international tax system and how it had developed. However, given the size of the topic, the very best answers were able to keep concise and focus their discussion on the prompts raised in the questions: the type of institutional structure and the principle of nexus for taxing rights.	

Question 2	
No. of students who answered this question	13
Range of marks	63-73
Comments	
The second question invited students to comment on the theoretical potential and practical problems raised by cross-border exchange of information as a tool for limiting the use of tax havens. Some students simply took this as an opportunity to describe everything they knew about cross-border exchange of information, leading to descriptive answers which in turn held back their marks. The strongest answers were able to stay on topic and offer their own views on the issue. In turn, their answers stood out because of the creativity and originality of their personal opinions, well-supported by literature and appropriate arguments.	

Question 3	
No. of students who answered this question	<5
Range of marks	<mark>74</mark>
Comments	
An unpopular question, but it was well-answered when attempted. It asked students to consider whether developing countries should form regional blocs in order to improve their negotiating strength on the international level. Responses were comprehensive, but concise,	

and maintained an argumentative style throughout. They showed awareness of arguments in favour of and against a multitude of positions and were able to come to a reasoned conclusion.

Question 4	
No. of students who answered this question	6
Range of marks	63-70
Comments	

The last question of Section A was slightly less well-answered than the others. It asked whether criticisms of the international tax system are overstated and how can problems be remedied. Students demonstrated a very good knowledge of the issues and presented them well. The most common flaw was an overly descriptive essay, that simply described the positions of academic critics of the international tax system, without considering whether these criticisms were valid. The best responses were able to combine the two parts of the question into a seamless response that presented a powerful argument in favour of, or against, significant reforms.

Question 5	
No. of students who answered this question	10
Range of marks	62-70
Comments	

Question 5 was a problem question that asked students to advise a hypothetical taxpayer, X, on their residence position and how this would affect their investments. Weaker answers appeared to misapply the tie-breakers in article 4 of the Model Treaty, or to engage in long-winded and tangential discussions about exemption and credit methods of relief. Generally, students identified the correct treaty articles in respect of the various investment options (articles 10–12) and good answers also realised that capital gains (under article 13) are likely to be relevant as well. Very good answers tended to also spot that, given X is working in one State, there is the possibility that either article 15 (employment) or article 7 (business profits) may be engaged as well.

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Question 6	
No. of students who answered this question	17
Range of marks	50-74
Comments	

The more popular of the two questions under Section B was an essay about the resolution of international tax disputes. Given the question specifically asked students to refer to different examples of how States engage with Commentaries, foreign case-law and other interpretative materials, it was surprising how many students failed to do so. Where students engaged in a purely academic debate without this supporting material, their mark was necessarily held back because it appeared that they had not properly read the question. Conversely, where students drew upon case-law and other practical examples from the reading list, the discussion was generally excellent, with a variety of different views and a nuanced conclusion.

EXAMINER REPORT

Name of Paper	**Rereading Classic Texts**
No. of students taking paper	**7**

Summary reflections on the paper as a whole

Please comment on the distribution of questions answered, the overall quality of the scripts, the distribution of marks and anything else worth noting and learning from (including suggested actions).

Students were given a choice of four questions and asked to provide answers to two. Questions 2 and 3 were significantly more popular than 1 and 4. There was an overall high standard of work and it was clear that students had thought deeply about the texts discussed during the class. As is often the case, the main quality which separated distinction level answers from merits was close attention to the question being asked. Too often, students provided an overly generic answer to the question, discussing everything they knew or had read about a particular topic. Even where this discussion was interesting, it held back the mark if it did not engage with the specific question being asked, such as the question's particular wording.

Brief remarks on individual questions

Please note the number of students answering the question, the range of marks, the overall quality of answers, notable weaknesses in the answers (and/or question) and anything else worth reporting and learning from (including suggested actions).

Question 1	
No. of students who answered this question	<5
Range of marks	65-70
Comments	

The only purely domestic question on the paper, this asked students to discuss whether and, if so, how tax should be used to address inequalities between citizens of the same State. Students of course picked up on the obvious points, such as the ability of tax to redistribute wealth. The best answers were able to draw on other examples from other areas of the reading list to develop a more nuanced argument, which in turn enabled them to engage with the question at a higher level.

Question 2	
No. of students who answered this question	5
Range of marks	66-72
Comments	

Question 2 asked students to examine the impact of globalisation on States' ability to set their own tax policy. The quality of answers varied somewhat although, as can be seen in the range of marks, all responses demonstrated a good level of understanding of the materials. A clear and compelling structure was particularly important in this question in order to cover the large amount of material efficiently while making clear to the reader the arguments place in the overall narrative.

Question 3	
No. of students who answered this question	5
Range of marks	67-72
Comments	

Question 3 focused on the lasting impact of the decisions made in the League of Nations Report. The best answers engaged with the distinction drawn in the quotation between political and economic allegiances, whereas weaker answers tended to turn into a generic discussion of the LoN Report, or a description of its recommendations. These answers missed the point that the question is not a historical one but was asking about the impact of the Report in the present day.

Question 4	
No. of students who answered this question	<5
Range of marks	67-68
Comments	

The final question asked students to evaluate how the tax system should adapt to changing employment, which includes increased mobility of employees since the pandemic, but also includes an increasingly diverse work-force. It was important for students to address each aspect of the question equally, and provide an overall cohesive response, rather than only answering some parts of the question, or answering each part in isolation from the others.

Tax and Development 2023/2024

Marks distribution for Tax and Development*
(n.b. <5 should be used where necessary for frequencies between 1-5)

Category of Marks	Frequency
>70% (Distinction)	5
65 – 69% (Merit)	17
50 – 65% (Pass)	<5
<50 (Fail)	<5

Mean: 67 (excludes fail and non-submission)
St. Dev: 2.62 (excludes fail and non-submission)

Distribution of answers for Tax and Development:

Q. No	No. of answers
1	13
2	20
3	14

Comments on the examination of Tax and Development:

General comments: Please comment on the overall quality of the scripts, the distribution of marks and anything else worth noting and learning from (including suggested actions).
The examiners were overall very pleased with the answers submitted for the course *Tax and Development*. Most of the students have engaged with the questions and the materials in a serious, critical and thoughtful manner. Most of the students wrote very good essays, and a few wrote excellent ones which demonstrated a particularly high quality of academic writing.   Students' essays demonstrated very good understanding of the materials discussed in class and in the reading. The best papers were well read, insightful, critical, well argued, and demonstrated mastery of the materials covered and serious engagement with them while making a coherent and well supported independent argument directly responding the question they were asked. Essays with marks at the lower end of the scale often were too general, sometimes assuming away some key issues; tended to echo a portion of the readings without going further; and/or did not make an effort to specifically address the question asked by coming to grips with their own view of the issue in their conclusions.
Comments on individual questions: Please comment on the overall quality of answers, notable weaknesses in the answers (and/or question) and anything else worth reporting and learning from (including suggested actions).
Question 1 focused on the connections between taxes and two critical problems for low-income countries: inequality and the lack of fiscal resources. Students were expected to consider both domestic tax systems and international taxation in that context and suggest what might be changed to tackle these issues. Answers to this question were generally good and comprehensive.

Question 2 was the most popular and generally done really well. It considered the role tax treaties may play in promoting the interests of low-income countries. Students were expected to consider the costs and benefits of such treaties and suggest in what circumstances might such treaties be desirable. Students generally did really well, covering the expected materials and often going beyond the reading list. The best papers were critical of the reading and brought creative arguments.

Finally, question 3 focused on the current discussions to shift multilateral efforts to the UN, where students were asked to consider the potential opportunities for low-income countries in such a shift as well as the possible risks. Answers to this question were solid but many of them were too general, and demonstrated less creativity and critical thinking.

EXAMINER REPORT

Name of Paper	**Tax & Human Rights**
No. of students taking paper	**16**

Summary reflections on the paper as a whole

Please comment on the distribution of questions answered, the overall quality of the scripts, the distribution of marks and anything else worth noting and learning from (including suggested actions).

Students were given a choice of questions across three different parts (A, B and C) and were required to answer two questions, with no more than one question from each part. This reflected the wide breadth of topics covered in the teaching. It was pleasing to see that each question was attempted at least once. Students repaid this broad choice with a generally excellent quality of work. The responses demonstrated a high level of effort and understanding of the materials. The best students had read both widely and deeply across the reading list, with many reading beyond the materials contained therein. Although this was not necessary to do well, it was pleasing to see the genuine enthusiasm for the subject which was evident from the level of research.

Brief remarks on individual questions

Please note the number of students answering the question, the range of marks, the overall quality of answers, notable weaknesses in the answers (and/or question) and anything else worth reporting and learning from (including suggested actions).

Question A1	
No. of students who answered this question	<5
Range of marks	66-67
Comments	

A generally well-answered question. Students were asked to examine the rule against double jeopardy under both the European Convention on Human Rights and the European Union Charter of Fundamental Rights. The level of knowledge demonstrated was very good, particularly of the case-law (which was specifically requested in the question), although there was a tendency to list lots of decisions without properly analysing them or their significance.

Question A2	
No. of students who answered this question	<5
Range of marks	70-72
Comments	

An unpopular question, but very well done when attempted. Students were required to advise a taxpayer about her rights under the European Convention on Human Rights in relation to an on-going tax inspection. This touched on a number of different rights, such as article 6 (the right to a fair trial), article 8 (the right to private life), article 1 of the first protocol (the right to property) and others. Students managed to cover a wide range of issues in the permissible word count and, importantly, afforded appropriate weight to each.

Question A3	
No. of students who answered this question	<5
Range of marks	**72**
Comments	

Another unpopular this question, this concerned the treatment of automatic exchange of information under the ECHR and EU law between a member state of the EU and a Third State.

Again, students were directed to refer to case-law of both the ECtHR and the CJEU, which was done excellently. The few answers received demonstrated depth of understanding and nuance in the response.

Question B1	
No. of students who answered this question	7
Range of marks	67-74
Comments	

One of the more popular questions and, again, the quality of answers was very high. The question concerned what legal issues might arise if a State attempts to correct disadvantages faced by women through the tax system, and whether there are any international obligations to do so. As is often the case when a question is in two parts, the examiners were looking for approximately equal weight to be given to each part. In the second part of the question in particular, students demonstrated an excellent knowledge of the ECHR, EU Charter, CEDAW, the UN ICCPR and others.

Question B2	
No. of students who answered this question	<5
Range of marks	66-71
Comments	

This question asked students to consider different means of regulating the conduct of tax officials, including codes of conduct, taxpayers' charters and ombudspersons with an emphasis on the practical protection of taxpayers' rights. All answers demonstrated a high level of understanding. The best answers distinguished themselves by marshalling the materials into a persuasive and compelling argument, whereas the slightly weaker responses tended to be more descriptive and list-like, merely commenting on each part of the question in isolation from the others.

Question C1	
No. of students who answered this question	8
Range of marks	66-75
Comments	

Another popular question. This asked about how the tax system and the collection of revenue can be used to further the sustainable development goals. Again, it was clear that all students understood the SDGs and broadly what obligations these entailed. The best answers demonstrated a very wide range of readings, which allowed the students in question to provide additional nuance to their answers which was missing from others. Although still good, other answers tended to make the more obvious points without developing them further or, in some instances, fell into the trap of merely describing the SDGs without presenting a clear, overall argument.

Question C2	
No. of students who answered this question	<5
Range of marks	67
Comments	

The final question invited students to discuss the statement that the primary system for the protection of taxpayers is the national legal system. This necessitates a discussion of a wide range of material, comparing and contrasting different aspects of domestic and international systems. Adopting and advancing a clear line of argument from the outset was essential to doing well, rather than merely describing all of the different potential protections for taxpayers.

Tax and Public Policy 2023/2024

Marks distribution for [paper title]*
(n.b. <5 should be used where necessary for frequencies between 1-5)

Category of Marks	Frequency
>70% (Distinction)	4
65 – 69% (Merit)	3
50 – 65% (Pass)	1
<50 (Fail)	

Mean:
St. Dev:

Distribution of answers for Tax and Public Policy:

Q. No	No. of answers
1	7
2	4
3	5

Comments on the examination of [paper title]:

General comments: Please comment on the overall quality of the scripts, the distribution of marks and anything else worth noting and learning from (including suggested actions).
This year's scripts for Tax and Public Policy were very strong overall, with half the candidates achieving a distinction and three others just falling short.

The usual issues were noted in some scripts, and this made candidates lose marks. For example, candidates are remined that essays should have a clear structure, and that points should follow one from the other. Essays should not be a written as a breathless series of points. Also, candidates should not re-write questions! If a question asks candidates to evaluate a tax against the standard evaluative criteria candidates should not focus exclusively one criterion. |
| **Comments on individual questions:** Please comment on the overall quality of answers, notable weaknesses in the answers (and/or question) and anything else worth reporting and learning from (including suggested actions). |
| Question 1 was popular and generally done really well. The essays covered a range of interesting taxes and were a pleasure to read. The best essays provided enough information and context on the tax for the reader to follow, before engaging in a comprehensive and robust evaluation. They also made use of a range of sources in informing their evaluation.

The second question was less popular, but it was done well by all who attempted it. Again, the very best answers showed great initiative in tracking down and reading useful literature and source on the issue.

The third question was done well overall, but less well than the other questions. Weaker scripts |

focused on the equity / fairness trade off and only added a few comments on other relevant trade-offs. The better scripts considered a range of trade-offs, showed a good understanding of optimal tax theory, and used a wide range of taxes as examples.

EXAMINER REPORT: Tax Principles and Policy 2024

Marks distribution for Tax Principles and Policy 2024

Category of Marks	Frequency
>70% (Distinction)	10
65 – 69% (Merit)	16
50 – 65% (Pass)	5
<50 (Fail)	0

Mean: 67
St. Dev: 3.6

Distribution of answers for Tax Principles and Policy:

Q. No	No. of answers
1 – Inheritance / estates taxation	20
2 – Financial and tax accounting	10
3 – The tax unit	12
4 – Tax certainty	20

Comments on the examination of Tax Principles and Policy

General comments
The examination required the submission of two essays of up to 3,000 words addressing two of four possible questions. The questions - in summary - considered inheritance and estate taxes; financial and tax accounting under Pillar 2 and in domestic settings; the individual or joint tax unit; and tax certainty. The majority of scripts were of a good to very good standard - evidenced by the overall proportion of Merit (52%) and Distinction (32%) grades. Most scripts demonstrated good knowledge of the subject matters; and variably drew upon a broad literature.   Those essays which scored the higher marks demonstrated: (1) A close attention to the actual question set; (2) an answer which addressed all components of the question in a balanced way; and (3) brought a well-reasoned "point of view" to the answer - developing the literature into a coherent overall argument. Weaker essays - whilst often setting out a broad range of points - were variably: (1) hard to follow - sometimes jumping from concept to concept, with - on occasions - a weaker command of English; or (2) not sufficiently attentive to one part of the question.   Candidates inevitably demonstrated different written styles - ranging from fluid prose, including techniques such as rhetoric to develop arguments; to quite "punchy" styles verging on that which might be used in the executive summary of a client report. There is no single "right" style - but in an academic essay three points are worth highlighting: (1) quasi-journalistic "straplines" as titles to essays may diminish their impact; (2) whilst a "punchy" style with close attention to the question can be very persuasive, it is important that the points made are developed in adequate depth; and (3) direct quotations should only be used where they are explicitly relevant to making the specific point - and care needs to be taken not to use extended quotations as apparent "padding". Overall, the effort applied by the vast majority of candidates to the examination was clear - and the

Examiners considered the collective standard to represent a very encouraging start to the degree assessment program.

The vast majority of candidates used close to, or the total of, the 3,000 word limit and some of the 3% margin. Only a small number of essays were markedly under or over the stated word count limit.

Notwithstanding the overall standard of the essays, the markers were concerned about the considerable number of extensions requested - which far exceeded expectations and previous patterns. Numerous late submissions are unhelpful to the markers who need to give appropriate time to submissions to ensure that marks are fair, consistent and moderated. The number of extensions requested in this case - most of which were for a week - led to a decision to delay marking by a week.

Comments on individual questions:

Question 1 - inheritance and estate taxation

This relatively short question alluded to a number of points. These included: (1) the distinction between inheritance and estates taxation; (2) whether these taxes can be a "simple" AND "useful" source of tax revenue for governments; (3) whether they help address rising wealth inequality; and (4) whether they are especially important if capital gains are undertaxed. Weaker answers tended to involve a relatively generalised critique of inheritance taxes, with some reference to any linkage with capital gains. Occasionally, weaker answers involved a broad exposition of aspects of wealth taxation, including inheritances and estates - but drifted away from the essence of the question. Stronger answers clearly addressed the various components of the question using examples and evidence to support their assertions - bringing the points made into a coherent, reasoned conclusion in direct answer to the question.

Question 2 - the use of financial accounting (and tax accounting) in both Pillar 2 and domestic settings

The question asserts that there are good reasons for international moves to using financial accounts for calculating the corporate tax base, including under Pillar 2; whilst there are similarly good reasons for domestic corporate tax bases deviating from financial accounts, especially around depreciation. Stronger answers explored the reasons for the developing international use of financial accounts and critically considered whether the reasons for using these were "good". They explained why Pillar 2 adopted this approach - including the political dynamics - and critically evaluated the merits and disadvantages of it, exploring how the tax base would actually be derived and applied. Stronger answers also considered why domestic regimes may wish to maintain independent tax accounting - albeit usually using financial accounts as a starting point - considering matters such as tax sovereignty; and specific reasons why financial and tax accounting may vary, including the application of local incentives and reliefs. Whilst the treatment of depreciation, including UK capital allowances, is a key example, there are others (such as asset valuation issues). Weaker answers tended to focus more on one element of the question - often Pillar 2 - without critically evaluating why different systems might be appropriate in different settings; and the strengths and weaknesses of different approaches.

Question 3 - the personal tax unit

The question was framed as a discussion of a 1977 quotation from the UK Equal Opportunities Commission ("EOC") asserting certain benefits of individual taxation. Candidates were required to discuss the quotation, drawing upon examples from at least two jurisdictions. Stronger answers considered all elements of the quotation - referencing, for example, the nature of the "unnecessary humiliation and distress" caused by the then taxing arrangements in the UK; and exploring then "emerging social trends" and how these were influencing the personal tax unit debate. These answers developed the points arising into robust critiques of individual; joint; and hybrid / optional models, drawing on a range of international examples and applying these questions in today's world. In doing so, they considered a broad range of matters, such as the issue of "imputed income" (McCaffery); and changes in the nature of family units under contemporary social trends. Weaker answers tended to revolve around a critique of individual vs joint taxation without strong reference to the EOC quotation and its elements; and with limited examples.

Question 4 - whether a good tax needs to be certain; and matters related to legislative drafting and dealing with abuse by taxpayers

Again, this question alluded to a number of points - including (1) the attributes of a "good" tax; (2) the attributes of "certainty", for example including rate, thresholds, collection, legislative drafting etc; (3) how the dimensions of "certainty" are or are not needed for a tax to be "good"; (4) the broad range of techniques for drafting tax legislation (see below); and how best to deal with the potential for abuse of tax legislation by taxpayers. Weaker answers only partially - or selectively - answered the components of the question, for example developing extensive analysis around GAARs but only including minimal comments on other techniques. Stronger answers developed the nature of a "good" tax by reference to its various functions; considered certainty and its merits in varying dimensions; explored a range of legislative techniques for drafting legislation and their strengths and weaknesses - including Principles Based and "Black Letter" approaches (amongst others); and considered a range of options for dealing with legislative abuse by taxpayers, including TAARs, SAARs and GAARs (again, amongst others).

Tax Research Roundtable

Marks distribution for Tax Research Roundtable

Category of Marks	Frequency
>70% (Distinction)	9
65 – 69% (Merit)	10
50 – 65% (Pass)	7
<50 (Fail)	

Mean:
St. Dev:

Distribution of answers for Tax Research Roundtable:

Q. No	No. of answers
1	5
2	11
3	1
4	8
5	1
6	1

Comments on the examination of [paper title]:

General comments: Please comment on the overall quality of the scripts, the distribution of marks and anything else worth noting and learning from (including suggested actions).

The Tax Research Roundtable is a compulsory module, taken by students at the start of their second year. The programme is designed around the presentation of 5 research papers, with a day devoted to the presentation of each one, with an introduction to the topic, the presentation of the paper, and discussion. The five papers covered very different topics, including analysis of multinationals' investment and profit shifting choices, the influence on taxes on small business, legal issues in the agreed global minimum tax, wealth taxation, and the links between accounting and taxation.

The assessed work requires a single essay of 6,000 words; students had a choice from 6 questions, reflecting the different topics taught during the week's course. The idea of the single essay is that students have an opportunity to engage in greater depth than in other modules on a particular topic, to study the academic literature more broadly and deeply, to reflect further in order to develop a coherent and logical analysis and answer to the specific questions. Reflecting the longer essays, specific feedback is given for each essay.

27 scripts were submitted in all. One script is not included in the distribution of grades as the consequences of its late submission are still being determined.

On the whole, the essays written were very good. Students mostly read widely on the relevant topic, including in most cases identifying different strands of argument, and where disagreements exist in the literature.

5 scripts were submitted late and resulted in meaningful mark deductions. Three scripts received were awarded a pass rather than a merit mark because of late submission. This is a real pity. Students should be reminded of the consequences of late submission.

Comments on individual questions: Please comment on the overall quality of answers, notable weaknesses in the answers (and/or question) and anything else worth reporting and learning from (including suggested actions).

Individual feedback in writing is provided to each candidate on this course.

Stronger essays reflected the fact that the students had put in considerable effort in reading and understanding the literature, engaging directly and exhaustively with the question asked presenting it in a balanced way, and making coherent arguments for and against specific positions. They were well structured, with a clear sense of develop of the argument, and clear conclusions. In stronger scripts candidates also show that they have thought deeply and carefully? about the issues and have reached a view which they defend. Strong essays were able to draw on the literature discussed in the different sessions on the roundtable and, indeed, on the literature discussed on other compulsory modules on the MSc. The very best essays went still further in developing new arguments.

Weaker essays tended to summarise a smaller set of academic writings, and to engage less in debate. There was a tendency for weaker essays to be more descriptive, rather than analytical. They were also less well organised and tended to move between different points with less of a coherent structure. There tended to be a lack of full understanding of the nuances of the arguments presented.

EXAMINER REPORT

Name of Paper	Tax Treaties
No. of students taking paper	16

Summary reflections on the paper as a whole

Please comment on the distribution of questions answered, the overall quality of the scripts, the distribution of marks and anything else worth noting and learning from (including suggested actions).

Overall, the examiners were impressed with a strong range of scripts. The top students demonstrated an in-depth knowledge of a range of materials. Importantly, those students had read beyond the relevant provisions of OECD Commentary and discuss competing views. The best answers drew from a range of materials (including case-law, commentary, academic discussion and the text of treaties) in order to develop their arguments. The weaker answers, on the other hand, tended to simply cite reading materials without discussion or comment, or otherwise accept what the readings said without critical thought.

Brief remarks on individual questions

Please note the number of students answering the question, the range of marks, the overall quality of answers, notable weaknesses in the answers (and/or question) and anything else worth reporting and learning from (including suggested actions).

Question 1	
No. of students who answered this question	9
Range of marks	60-71

Comments

This essay question asked students to consider the meaning of treaty shopping. In particular, it questioned whether "tax avoidance" is a meaningful term in the context of a treaty between two States which is intended to restrict the amount of tax collected. It specifically touched on beneficial ownership and the principal purpose test, but left open the opportunity to talk about other anti-avoidance rules, such as limitation of benefits. A common mistake made by students was simply to discuss beneficial ownership and the PPT without engaging with the substance of the question, or simply to describe everything they knew about the topics. Conversely, the top answers developed a clear line of argument which was specific to the question and then developed it throughout the essay with relevant academic opinions, appropriate references to case law and the OECD commentary.

Question 2	
No. of students who answered this question	7
Range of marks	62-74

Comments

Answers to this question were generally very good and, as the range of marks demonstrates, included some truly excellent scripts. The question required students to link the development of tax treaties with different approaches to attributing profits to permanent establishments. In particular, the quotation passed three judgments on the Authorised OECD Approach (AOA): it is problematic, internationally unwelcome and insufficient. The top answers were able to concisely explain and elaborate upon the development of the AOA. They compared and contrasted different versions of the OECD and UN Model Treaties, and offered insightful commentary on why they had developed in those ways, drawing on academic literature in support where appropriate. Importantly, they made clear whether and why they agreed or

disagreed with the quotation. Weaker answers tended to be overly descriptive, merely stating what the AOA is without engaging in the commentary that the question invited.

Question 3	
No. of students who answered this question	16
Range of marks	60-72

Comments

The final question was a mandatory problem question, with a focus on permanent establishments and non-discrimination. As usual, it asked students to consider if their answer would be different if the MLI was engaged, or if the Treaty was updated to the 2017 Model. Weaker answers failed to make reference to appropriate case law, particularly where the facts were similar to (but not exactly the same as) cases that have already been decided. Some answers also appeared to be uncomfortable with the format of a problem question and tried to turn the answer into an academic discussion of the issues without sufficient reference to the facts. In a question such as this, the word limit imposes significant restraints on students and the best answers were able to identify the relevant provisions / cases / commentary and apply it concisely. This ensured that those students had enough words to engage with parts of the question that did not have clear-cut answers and necessitated a more in-depth analysis. Other common mistakes included not considering both a fixed place of business and dependent agent permanent establishments in part (a) and citing the wrong paragraph of article 24 on non-discrimination, or missing the non-discrimination point entirely in (c).

Taxation of Corporate Finance Paper

Marks distribution for MSC Taxation of Corporate Finance and Financial Products*
(n.b. <5 should be used where necessary for frequencies between 1-5)

Category of Marks	Frequency
>70% (Distinction)	11
65 – 69% (Merit)	17
50 – 65% (Pass)	5
<50 (Fail)	0

Mean: 68
St. Dev: 3.1

Distribution of answers for Taxation of Corporate Finance:

Q. No	No. of answers
1	24
2	21
3	13

Comments on the examination of [paper title]:

General comments: Please comment on the overall quality of the scripts, the distribution of marks and anything else worth noting and learning from (including suggested actions).
The answers to the questions set are generally of a good standard. Most answers included a well-developed and argued response to the question set, coupled with relevant footnoting of sources consulted.   Some answers would have been improved by responding more directly to the precise requirements of the question set
Comments on individual questions: Please comment on the overall quality of answers, notable weaknesses in the answers (and/or question) and anything else worth reporting and learning from (including suggested actions).
Question 1 on the debt : equity distinction was a popular choice, and it was generally well answered. The better answers critically evaluated both practical and theoretical arguments for and against the distinction. They also used apposite examples for existing tax systems to illustrate their answers.   Question 2 on the causes and implications of complexity was a popular choice, and it was generally well answered. The better answers to this question sought to disentangle complexity which is inevitable when dealing with complex products, and complexity which could be avoided. They also considered the implications for taxpayers and tax authorities in the short, medium, and longer term.   Question 3 on the cum-ex affair and its implications for the administration of the tax system was a slightly less popular choice, presumably because the cum-ex topic is admittedly difficult. However, the question raises certain fundamental issues about the administration of tax systems in the light of significant complexity and for this reason it should have been relatively straight forward. Those choosing to answer the question performed reasonably well.

Transfer Pricing Paper

Marks distribution for MSc Problems in Transfer Pricing and Profit Attribution*
(n.b. <5 should be used where necessary for frequencies between 1-5)

Category of Marks	Frequency
>70% (Distinction)	11
65 – 69% (Merit)	17
50 – 65% (Pass)	<5
<50 (Fail)	0

Mean: 68
St. Dev: 1.8

Distribution of answers for Transfer Pricing and Profit Attribution:

Q. No	No. of answers
1	13
2	3
3	12

Comments on the examination of **Transfer Pricing***:*

General comments: Please comment on the overall quality of the scripts, the distribution of marks and anything else worth noting and learning from (including suggested actions).
The answers to the questions set are generally of a very good standard. Most answers included a well-developed and argued response to the question set, coupled with relevant footnoting of sources consulted. As has been the case in the past, some answers would have been improved by responding more directly to the precise requirements of the question set
Comments on individual questions: Please comment on the overall quality of answers, notable weaknesses in the answers (and/or question) and anything else worth reporting and learning from (including suggested actions).
Question 1 was a popular choice, and it was generally well answered. Answering this question required a strong grasp of the practical difficulties that arise when applying the ALP. The better answers were able to relate these practical difficulties to the fundamental conceptual issues inherent in the approach.   Question 2 was not a popular choice, presumably because the topic of the digitalisation of business was interpreted as being more difficult. However, the question raises several fundamental issues relating to the ALP and for this reason it should have been relatively straight forward. Those choosing to answer the question generally scored well.

Question 3 was a popular choice. This question required candidates to consider the role of the ALP at the heart of the current international tax system, to understand the mechanisms of common planning techniques and the role of the ALP within them, and the recent changes introduced by the OECD. It was a demanding question, but the overall quality of answer was good.

EXAMINER REPORT OPTION ONE

Name of Paper	UK Corporate Tax
No. of students taking paper	16 submitted before Exam Board.

Summary reflections on the paper as a whole
Please comment on the distribution of questions answered, the overall quality of the scripts, the distribution of marks and anything else worth noting and learning from (including suggested actions).

Students were required to answer one compulsory problem question and one essay from a choice of two questions. The standard was very strong overall, with 6 students awarded a mark of 70% or above and 9 students with marks of 65-69%.

The problem question was very well done, with most students achieving a mark in the high 60s or low 70s. The essays from both parts were well done, although answers to the essay on targeted anti-avoidance rules were generally better than those on the losses essays. Overall, the markers felt that the two parts of the assessed work taken together represented well the students' attainment on this paper.

Brief remarks on individual questions
Please note the number of students answering the question, the range of marks, the overall quality of answers, notable weaknesses in the answers (and/or question) and anything else worth reporting and learning from (including suggested actions).

Question 1	
No. of students who answered this question	7
Range of marks	64 – 70

Comments
This optional essay question asked students to consider the difficulties losses within a company and within a group of companies pose for a tax on corporate profit, as well as whether the UK corporation tax dealt appropriately with these difficulties. The very best answers demonstrated an excellent understanding of the statutory regimes governing both income and capital losses, and group relief. Those answer also referenced relevant case law and literature such as Donnelly and Young. Weaker answers tended to rely on vague or generalised statements and failed to demonstrate EITHER an appreciation for the conceptual issues and in particular who 'owns' a company's losses, AND/OR failed to show a strong understanding of the UK losses regime.

Question 2	
No. of students who answered this question	9
Range of marks	66-72

Comments
This question was the more popular of the optional questions and concerned the use of targeted anti-avoidance rules relying on 'main purpose' and 'unallowable purpose'. The best answer showed a high degree of comfort with a wide range of cases and were able to use that knowledge to develop a sophisticated answer on the operation of these TAARs. Weaker answers tended to focus on just a handful of cases such as B*lackrock* and were mostly descriptive.

Question 3	
No. of students who answered this question	16
Range of marks	62-71
Comments	

Comments

The compulsory problem question was well answered by almost all of the students. This question raised a large number of important and less important issues. Most importantly, students need to consider the capital gains consequences of the various highlighted scenarios, the ability to transfer losses within a group and use losses in the event of a 'major change'. Other issues included the impairment rules for loan relationships and the deductibility of the sponsorship. The best answers identified nearly all the issues and applied the statute and case law effectively in working out the UK tax consequences.

EXAMINER REPORT

Name of Paper	**UK Taxation of Global Wealth**
No. of students taking paper	**<5**

Summary reflections on the paper as a whole

Please comment on the distribution of questions answered, the overall quality of the scripts, the distribution of marks and anything else worth noting and learning from (including suggested actions).

> This was a difficult paper in light of the very recent announced changes to the UK's taxation of trusts and global individuals, with the proposed abolition of the domicile regime to be replaced by the FIG regime. The examiners took this into account in marking. Overall, the examiners thought that there was a range of attainment in the overall scripts. Given the granular nature of the questions, the main distinguishing quality between scripts was attention to the details and specifics of the rules being examined. Broad, vague or general sweeping statements often failed to answer the question in sufficient detail. Conversely, students who were able to apply the rules in a nuanced and detailed way were rewarded for doing so.

Brief remarks on individual questions

Please note the number of students answering the question, the range of marks, the overall quality of answers, notable weaknesses in the answers (and/or question) and anything else worth reporting and learning from (including suggested actions).

Question 1	
No. of students who answered this question	<5
Range of marks	60-73
Comments	

The first question was mandatory and required students to apply both the existing rules and the proposed FIG regime to a set of facts involving a UK-domicilliary, a non-UK domiciliary and a trust. The question was sub-divided into several parts, covering income tax, capital gains tax and inheritance tax. Attention to detail of the rules of the old and new regimes was essential to doing well, as was demonstrating understanding of the important distinctions between different categories of people.

Question 2	
No. of students who answered this question	<5
Range of marks	66-70
Comments	

Question 2 focused on the taxation of individuals and how a State can keep mobile individuals within the tax net. Students were asked to consider how the UK could reform the statutory residence test or otherwise bring people within the tax net after leaving the UK. Students were also asked to consider the 2024 Budget proposals and whether they would be effective at incentivising people to stay in the UK. Overall, the quality was good and students demonstrated a clear understanding of the rules and major issues involved, with the best answers able to demonstrate a wide knowledge base and draw on different sources of literature to develop their response.

Question 3	
No. of students who answered this question	<5
Range of marks	66-69
Comments	

The final question asked students to examine the taxation of property in the UK and invited them to propose reforms to the UK system. Again, it was clear that the students understood the materials, although (unsurprisingly given the scope of the question), it was common to see students spend too much of their time merely describing different aspects of the UK tax system, rather than using the materials to advance an argument in respect of their chosen recommendation.

EXAMINER REPORT

Name of Paper	**VAT**
No. of students taking paper	**22**

Summary reflections on the paper as a whole
Please comment on the distribution of questions answered, the overall quality of the scripts, the distribution of marks and anything else worth noting and learning from (including suggested actions).

The assessment posed two essay questions, one focused on VAT base design and normative solutions, the other on the impact of the digital economy on VAT and ongoing positive developments. Each had a word limit of 3000 words. The different focus in the two questions was designed to appeal to both students who are more interested in a normative approach to tax law, and those who felt more comfortable with a positive approach. The strong students' performance seems to indicate that this approach was largely successful in engaging students with the module's assessment.
The overall average was 67, but this average is not fully reflective of the strong performance in the module, as it was brought down by the lack submission of one essay by one student. This strong performance is better reflected, however, in the marks' breakdown: 7 out of 22 had students had a final mark above 70; none (apart from the student who failed to submit an essay) had a final mark below 60; two students were co-recipients of the module's prize.

Brief remarks on individual questions
Please note the number of students answering the question, the range of marks, the overall quality of answers, notable weaknesses in the answers (and/or question) and anything else worth reporting and learning from (including suggested actions).

Question 1	
No. of students who answered this question	22
Range of marks	62-77

Comments
Answers should be able to identify the reasons as to why broadening the VAT base is a good idea from a policy perspective: reductions in consumption taxation often not reflected on prices; richest benefit the most; significant revenue loss; litigation and qualification problems; increase in compliance; and creation of opportunities for avoidance and fraud. However, they should also recognise that consumption taxes design is more likely a result of political dynamics, and that the resistance to broad base VAT is always strong. Good answers identified the key political economy dynamics at stake, and the role that fairness narratives, lobby groups, and behavioural biases play in these dynamics. Stronger answers considered the possibility that the adoption of a system of real-time transfers to the poorest (progressive VAT) may decrease the political economy obstacles.

Question 2	
No. of students who answered this question	21
Range of marks	58-75

Comments
Answers should be able to identify the risks that digitalisation of the economy, and particularly digital sales, present to VAT, not only by making some of the place of supply proxies out of date, but also by making it very hard to enforce the tax. They should also recognize, however, that these challenges are being progressively overcome, not least due to the OECD and EU

efforts on issuing appropriate guidelines, creating one-stop-shops, and imposing obligations on platforms. Good answers also acknowledged the advancements in anti-fraud policy, both by the creation on anti-fraud rules, such as third party liability rules, and making digital platforms responsible for tax enforcement, but also by the implementation of technology at tax administration level (electronic invoicing, real-time technology, electronic payments, etc). Both these rules and these technologies however carry risk, and stronger answers identified new trends for revenue maximisation, and over-reliance on technology to combat fraud.