

# REPORT OF THE BOARD OF EXAMINERS FOR 2021-2023

## EXAMINATION FOR THE DEGREE OF MSc IN TAXATION

### PART I

#### STATISTICS

##### A. NUMBERS AND PERCENTAGES IN EACH CATEGORY

###### 1) Unclassified Examinations for 2022-2023

Category	Number			Percentage (%)		
	2022/23	2021/22	2020/21	2022/23	2021/22	2020/21
Distinction	9	(11)	(7)	24	(29)	(27)
Merit	16	(17)	(14)	42	(45)	(54)
Pass	3	(8)	(3)	8	(21)	(12)
Fail	2	(1**)	(0)	5	(3)	(0)
Pending	8*			21*		

\*At time of writing (November 2023), 8 candidates are pending their overall outcome. This is due to outstanding dispensation requests, appeals, or long extensions.

\*\*The student noted as receiving a fail in the 21/22 data, did not complete study by the final 21/22 exam board; they have returned to study in 22/23 after receiving a dispensation from EdC and have now completed. Their overall classification is also pending due to long extensions.

###### 2) Vivas

Vivas are not used in the MSc in Taxation.

###### 3) Marking of Scripts

Please give details of scripts which are not double-marked.

Where scaling has been used, boards should record its use and provide detailed information about why scaling was necessary and how it was applied. Please state whether qualitative checks were used where scaling has been employed.

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 during the two years, following interim Examination Board meetings in April and June, the final exam board sat in October 2023.

Scaling has not been used in either of the 21/22 or 22/23 academic years.

## NEW EXAMINING METHODS AND PROCEDURES

**B.** Please state here any new methods and procedures that operated for the first time in the 2022/23 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 have been no new examining methods or procedures employed for the first time in 2022/23.

**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 not any 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 2021-2022 and 2022-2023 were emailed to all candidates and made accessible on Canvas for all candidates to view.

The Examiners' Notice to Candidates for 2020–21 and 2021–22 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***

Similar percentages of candidates have achieved distinctions or merits from the 2021-2023 cohort. 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 resulting in 8 candidates still awaiting their overall outcome.

Two candidates have failed but have been offered resits; it is hoped that following this resit opportunity they will receive a passing degree outcome in the coming months.

#### ***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 Inspira.

In a change from all previous academic years where all deadline dates were constrained to 3 dates (one in February, one in May and one in September), during the 2022-23 academic year, each module had its own individual deadline which did not conflict with any other module deadline. This was introduced following student feedback relayed in Management Committee meetings.

In both 2021-2022 and 2022-2023, 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 Inspira 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.

One small concern that arose was where students have permission to resubmit an assignment, either within the 30-minute window post deadline if they have noticed a small error, or following an extension approved after an initial deadline has passed, re-submissions naturally return a very high Turnitin score against the original submission.

### ***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 consistency as required and referred queries to the paper setter/s which were discussed and resolved where needed.

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

*N.B. DATA BELOW IS ROUNDED TO THE NEAREST WHOLE NUMBER; TOTAL VALUES MAY THEREFORE EQUAL 99 OR 101.*

	2022-23						
	Total	Male	% of Male	% Cohort	Female	% of Female	% Cohort
<b>All grades</b>	38	21		55	17		45
<b>Distinction</b>	9	4	19		5	29	
<b>Merit</b>	16	9	43		7	41	
<b>Pass</b>	3	2	10		1	6	
<b>Fail</b>	2	2	10		0	0	
<b>Incomplete</b>	8	4	19		4	24	
	2021-22						
	Total	Male	% of Male	% Cohort	Female	% of Female	% Cohort
<b>All grades</b>	38	28		74	10		26
<b>Distinction</b>	11	9	32		2	20	
<b>Merit</b>	17	12	43		5	50	
<b>Pass</b>	8	5	18		3	30	
<b>Fail</b>	1	1*	4		0	0	
<b>Incomplete</b>	1	1**	4		0	0	
	2020-21						
	Total	Male	% of Male	% Cohort	Female	% of Female	% Cohort
<b>All grades</b>	26	20		77	6		23
<b>Distinction</b>	7	5	25		2	33	
<b>Merit</b>	14	11	55		3	50	
<b>Pass</b>	3	2	10		1	17	
<b>Fail</b>	0	0	0		0	0	
<b>Incomplete</b>	2	2	10		0	0	

9 of the 38 candidates received a distinction (24%), 16 received a merit (42%) and 3 received a pass (8%). This is roughly the same number of distinctions and merits as in 2022, when 11 of the 37 candidates received a distinction (29%), and 17 of the 37 candidates received a merit (42%). However, we currently see a number of passes that is back to in line with the 2021 figure; albeit the pending outcomes may change this data in coming months.

4 men, out of 21, obtained a distinction (19%); a lower number than in 2022, where 9 out of 28 received a distinction (32%). 9 received a merit (43%); the same percentage as in 2022 where 12 of 28 received a merit.

Conversely, 5 women, out of 17, obtained a distinction (29%), a higher figure than in 2022 when 2 out of 10 women received a distinction (20%). 7 received a merit (41%), a slightly lower percentage than 2022 where 50% of women received a merit.

This cohort had a more equal gender split completing the degree (45% women, 55% 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 are 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 2021-2023. Although electives are open to both year groups, the statistics **only** refer to candidates who started in 2021 and graduated in 2023.

**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 the 16<sup>th</sup> October 2023) was 12; 10 X year 2 student submissions, and 2 X year 1 student submissions.

To date, none of the MCE notices had a material impact on the results or classifications of students. However, as noted above, a number of marks for 8 individual candidates are pending and thus a number of the MCEs submitted cannot yet be evaluated. Once all marks have been received the exam board will meet and review any outstanding MCE notices.

There were no students who received a 'Declared to Deserve Honours/ Masters' degree.

Attached as Appendix 3 are comments on performance and examination of identifiable individuals.

**F. NAMES OF MEMBERS OF THE BOARD OF EXAMINERS**

Fernanda Pirie (Chair of Examiners)  
Glen Loutzenhiser (Internal Examiner)  
Michael Devereux (Internal Examiner)  
Ann Mumford (External Examiner)

**APPENDIX 1: Mark Distributions 2021-2023****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
2021-22 Core Courses								
Tax Principles and Policy	65.8	38	0	0	2	13	14	9
Principles of International Taxation	67.2	38	0	0	0	7	22	9
Year 1 Electives (2021-22)								
Comparative Corporate Tax	75.0	1	0	0	0	0	0	1
Current Issues in Taxation	74.0	1	0	0	0	0	0	1
EU Tax Law	66.0	6	1	0	0	0	4	1
Rereading Classic Texts	66.0	7	1	0	0	1	1	4
Tax and Human Rights	67.7	12	0	0	0	1	7	4
Tax & Public Policy	66.0	8	0	0	0	2	5	1
Tax Treaties	64.0	19	0	1	1	7	7	3
Taxation of Corporate Finance	67.5	13	0	0	0	1	9	3
Transfer Pricing	67.0	9	0	0	0	2	5	2
UK Taxation of Global Wealth	69.0	8	0	0	0	0	4	4
UK Corporate Tax	69.0	14	0	1	0	1	2	10
VAT	66.8	4	0	0	0	1	2	1
2022-23 Core Courses								
Tax Research Round Table	66.5	37	0	0	3	5	17	12
Year 2 Electives (2022-23)								
Dissertations	67.1	9	0	0	0	0	7	2
Current Issues in Taxation	66.0	17	0	0	0	4	8	5
Ethical Issues in Tax Practice	66.2	17	0	0	3	3	4	7
EU Tax Law	67.0	9	0	0	0	2	4	3
Rereading Classic Texts	68.0	11	0	0	0	1	6	4
Tax & Public Policy	66.0	7	0	0	0	2	3	2
Tax Treaties	65.0	8	0	0	0	5	2	1
Transfer Pricing	70.0	3	0	0	0	0	1	2
UK Taxation of Global Wealth	64.0	4	0	1	0	1	0	2
US International Tax	65.6	6	0	0	0	2	4	0

**Notes:**

1. All percentages have been rounded to the nearest whole number, which may result in the overall percentage result totalling 99 or 101 instead of 100.
2. The statistics only refer to candidates who started in 2021 and graduated in 2023.
3. Average marks have been calculated removing outliers of 0.
4. Generally, this cohort took their year 1 electives in 2021-22, and year 2 electives were taken in 2022-23. Some students do not fit this pattern due to individual periods of suspension; where this is the case, statistics are taken from the mark they achieved in year 1 or year 2 of their degree which is likely an earlier academic year.

## APPENDIX 2: ALL INDIVIDUAL COURSE REPORTS, MSc in Taxation, 2022-23

### EXAMINER REPORT OPTION ONE

<b>Name of Paper</b>	<b>Current Issues in Taxation</b>
<b>No. of students taking paper</b>	<b>31</b>

#### 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 quality of essays was high. The answers demonstrated a high-level of understanding about the Two Pillars and it was clear that the students had given serious thought to the issues raised in the questions.

The very best answers maintained a clear focus on the particular question being asked and adopted a critical approach to the Pillars, testing the arguments that were presented in the class and the literature. They showed understanding of the technicalities of the rules and how they would interact within domestic legal systems, identifying potential problems and solutions. Ultimately, as always, the strongest answers developed a coherent argument throughout their essays and came to a strong, well-reasoned conclusion.

By comparison, the weaker answers clearly struggled to manage the sheer amount of detail in the rules of Pillars 1 and 2. They tended to resort to simply describing the rules in large amounts of detail without thought to the specific question being asked or attempting to apply it. Some made mistakes, such as confusing the different thresholds as between Pillars 1 and 2, which consequently undermined the arguments being made. A couple of students either did not read or had misunderstood some of the questions being asked and gave generic responses, repeating substantial amounts of material across the two essays, which received relatively less credit.

#### 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).

<b>Question 1</b>	
No. of students who answered this question	14
Range of marks	57-70
<b>Comments</b>	
This question asked the student to pick a particular country in the Inclusive Framework and advise on whether it should sign up to a treaty which implements Pillar 1. The top answers were able to show that they understood the rules of Pillar 1 and the consequences they would have within the domestic regime of their choice. The rules were concisely described and critically applied. The less strong responses were often too generic, as if the chosen jurisdiction had simply been chosen at the last minute, or made vague assertions about Pillar 1 without sufficient depth of argument.	

<b>Question 2</b>	
No. of students who answered this question	14
Range of marks	58-71
<b>Comments</b> Question 2 was in two parts. The first asked whether the complexity of the Two Pillars is inevitable and the second asked whether concerns over their complexity were overstated. A very strong answer required approximately equal weight to be given to each part of the question and, as is often the case, some otherwise good answers were let down by failing to adequately address one of the constituent questions. Another common mistake was to merely describe the complexity and where it came from in the rules, without really thinking about the questions being asked.	

<b>Question 3</b>	
No. of students who answered this question	18
Range of marks	62-73
<b>Comments</b> This was a broad question which invited students to suggest improvements to Pillar 2, and it was generally very well answered. Students gave a diverse range of improvements, touching on topics such as international justice, collection mechanisms, dispute resolution, economic efficiency and others. Some students tended to make some general overall criticisms of Pillar 2, which prevented them from making the more thoughtful and precise suggestions that the top answers did.	

<b>Question 4</b>	
No. of students who answered this question	29
Range of marks	61-73
<b>Comments</b> The last question asked whether the Two-Pillar Solution that had been agreed by the Inclusive Framework was a positive step for international business taxation. The best answers concisely discussed the overall impact of the Two Pillars and critically examined the direction in which international business tax ought to develop. However, some students struggled with the breadth of the question and, in an attempt to include everything they wanted to say, lacked sufficient depth in their response to achieve the top marks.	



## EXAMINER REPORT OPTION ONE

<b>Name of Paper</b>	<b>Ethical Issues in Tax Practice</b>
<b>No. of students taking paper</b>	<b>21 submitted before Exam Board.</b>

**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 essay and another essay from a choice of three questions. The standard was good overall, with 9 students awarded a mark of 70% or above and 5 students with marks of 65-69%, but there were some weaknesses among those with lower marks that should be noted.

The essays from both parts were equally well done, although individual candidates sometimes did better in one or the other part of the assessed work. Therefore, the markers felt that the two parts of the assessed work taken together gave a good view of attainment on this paper. As usual, the best papers showed clear structures behind the answers, proper referencing to the literature, and had applied knowledge carefully and specifically to the breakdown of specific questions posed for each essay-especially on question 1.

**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).

<b>Question 1</b>	
No. of students who answered this question	21
Range of marks	56 – 75
<b>Comments</b> This was a compulsory question answered by all students. It asked students to advise the board of directors of a multinational on the appropriate tax strategy for the multinational to take going forward. The very best answers demonstrated an excellent understanding of the issues, referenced relevant material including tax avoidance cases and literature, OECD and other reports and codes of conduct, and maintained a cohesive response to the quotation while addressing the particular sub-questions asked. They provided real advice that a Board could use. Weaker answers tended to rely on vague or generalised statements, sometimes conflicting with each other, rather than providing the required advice. Stringing together a few quotes with opposite meanings is not providing advice! The response should have internal consistency even if the literature set quite deliberately reflects varying views.	

<b>Question 2</b>	
No. of students who answered this question	9
Range of marks	64-76
<b>Comments</b> This question was the most popular of the optional questions and concerned the ethical issues raised by requiring business taxpayers and their advisers to disclose information on tax positions and tax paid. It also required students to look at the literature on trust and consider the question of the burden placed on business by increased disclosure. Responses demonstrated very good awareness of the issues and the relevant literature, critically analysed	

the burdens imposed on taxpayers, and explored the larger themes such as trust, and the role and regulation of advisers.

**Question 3**

No. of students who answered this question	5
Range of marks	57-75

**Comments**

The least popular optional question but one that was well answered by most of the students who attempted it. This question focused on ethical issues in the context of tax administration in developing countries. The best answers combined a strong knowledge of the literature with an appreciation for the practical issues faced by such tax administrations, as well as the economic, social and cultural issues. The materials were used to develop compelling arguments, which focused on strategies for upholding ethical tax practices and also tax morale, as the question required.

**Question 4**

No. of students who answered this question	7
Range of marks	52-73

**Comments**

A fairly popular question that generally was not as well answered as the other questions. The question asked students to consider the meaning of ethical and moral issues in taxation, and also to examine the rights and duties of taxpayers through this lens. The top answers showed a strong understanding of, and a serious engagement with, the theoretical literature. Weaker answers lacked a breadth of knowledge, quoted points from the literature without using them to develop their arguments and failed to fully target their answer to the question asked.

### Marks distribution for EU Tax Law, April 2023

Category of Marks	Frequency
>70% (Distinction)	7
65 – 69% (Merit)	8
50 – 65% (Pass)	3
<50 (Fail)	0
TOTAL	18

Mean: 67

St. Dev: 4.24

### Distribution of answers for EU Tax Law:

Q. No	No. of answers
1	18
2	18

### General Comments on the Examination, and on Specific Questions

A good number of students have received a distinction-level mark on their essays in EU Tax Law this year, which is indicative of the generally high level of knowledge acquired by students during this course.

The first question concerned the case law of the Court of Justice of the European Union (EU) on cross-border transfer of losses. Students were invited to discuss whether they agree with the opinion of Advocate General Kokott in *European Commission v United Kingdom* (Case C-172/13, ECLI:EU:C:2014:2321), where she pointed out that the so-called “Marks & Spencer exception” “*does not protect the interests of the internal market and, as such, is also not a less onerous means of guaranteeing the fiscal sovereignty of Member States as it does not facilitate the activity of cross-border groups but rather constitutes a virtually inexhaustible source of legal disputes between taxpayers and the Member States’ tax administrations*” (paragraph 44). The examiners were evaluating the knowledge of case law and the ability of students to apply this knowledge to answer the question asked. In this context, the examiners were looking for coherent and persuasive answers which express a clear position and support it with relevant facts. Many students demonstrated excellent analytical skills: they were able to use a wide range of cases (including most recent ones) and were also familiar with relevant academic commentaries. Those students who relied upon a wide range of sources consistently demonstrated a more in-depth understanding of the case law and its implications, which helped answering the question and obtaining high marks. Some students did not address the specific question asked and instead analysed the Marks & Spencer exception more broadly. The marks have been correspondingly lower, as a wider analysis often comes at the expense of its depth. Descriptive answers with long passages from the rulings and little analysis were also marked lower.

The second question invited students to evaluate the progress made by the EU policymakers to effectively tackle tax evasion and avoidance and to discuss whether much more needs to be done in this area. It was important for students to avoid a descriptive approach to this question by merely detailing the actions undertaken by the EU without offering their critical evaluation. Some students demonstrated excellent analytical skills and incorporated legal and economic perspectives when evaluating the measures taken by the EU. Whilst the use of additional (non-academic) sources could be encouraged, and many have done so very effectively, students should demonstrate their ability to critically assess the reliability and accuracy of such sources when incorporating them in their answers. This essay question tested the ability of students to handle a large number of facts and developments. It was therefore very important to verify the facts used in the answer to ensure that they were fully accurate and up-to-date.

Overall, the ability to address the question asked in an analytical manner have consistently featured in the answers which received high grades. Those students who obtained a distinction-level mark were able to demonstrate strong analytical skills and a thought-through structure of their answers. They supported their arguments with references to a wide range of primary or secondary sources, which has been duly rewarded.

### Marks distribution for Principles of International Taxation, June 2023

Category of Marks	Frequency
>70% (Distinction)	7
65 – 69% (Merit)	13
50 – 65% (Pass)	6
<50 (Fail)	2 (both referred to Proctors office for concerns over Poor Academic Practice and Plagiarism)
TOTAL	28

**Mean:** 64 (including fails); 66 (excluding fails)

**St. Dev:** 7.9 (including fails); 4.85 (excluding fails)

### Distribution of answers for Principles of International Taxation:

Q. No	No. of answers
1	14
2	10
3	4
4	18
5	10

### General Comments on the Examination, and on Specific Questions

The assessment was divided into two sections, with students required to answer one question from each section. Section A gave a choice of three essays, which related to the historical development of the international tax system, the relevance of value creation in BEPS, and finally whether rules about nexus should be reconsidered. Section B offered a choice between two problems. Question 4 raised a number of issues about the residence of natural and legal persons, while question 5 asked students to discuss the relevance of a number of different sources of interpretation for a double tax treaty.

Overall, the answers to both sections were equally strong, with a significant range of quality in the responses. In response to Section A, the best answers contained a wide breadth of different sources and evaluated them in appropriate depth, demonstrating significant knowledge of the reading list and a critical opinion. Weaker answers tended to rely on vague, generalised assertions that were not substantiated by cases or arguments in the reading list. Some students placed too much reliance on non-academic sources and would have been better to draw on materials from the reading lists. With regards to Section B, the most common mistake was failure to manage the word count. Students would spend too many words dealing with relatively straight-forward issues and would consequently provide only a cursory summary of the more complicated issues. The best answers again drew from a wide range of sources, recognised that there were

no definite right answers to the most difficult points and effectively argued what they thought the best answer would be.

## **Rereading Classic Texts in Tax Law and Policy, 2022-23**

### **Marks distribution for [paper title]\***

Category of Marks	Frequency
>70% (Distinction)	7
65 – 69% (Merit)	6
50 – 65% (Pass)	<5
<50 (Fail)	<5

Mean: 66 (including fails), 69 (excluding fails)

St. Dev: 10.65 (including fails), 2.55 (excluding fails)

### **Distribution of answers for Rereading Classic Texts in Tax Law and Policy:**

Q. No	No. of answers
1	11
2	12
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).

The examiners were overall very pleased with the answers submitted for the course "Reading the Classics". The vast majority 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 superb ones which demonstrated a particularly high quality of academic writing.

Students were asked to answer two questions from three different essay questions.

Students' essays demonstrated very good understanding of the materials discussed in class and in the reading. The best papers were insightful, creative, critical, well argued, and demonstrated mastery of the materials covered and serious engagement with them while making a coherent and well supported independent argument. Essays with lower marks were often too general and did not make an effort to address the question asked.

**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 challenges which developments in technological revolution, globalization and lifestyle following the pandemic in the past 100 years raise of income taxation. Successful papers referred to both the domestic challenges where said changes challenge traditional concepts and distinctions and the international ones where competition raises further challenges.

Question 2 focused on the dilemma of whether tax policy should be part of the political process or perhaps designed by experts, particularly in the context of tax expenditures. Successful papers considered the advantages and disadvantages of both design by experts and tax as a political compromise.

Question 3 dealt with cooperation that might fit the 21<sup>st</sup> century and the question of equality in such cooperation. Successful papers discussed the flaws of the current international tax regime and the gaps between cooperation parties.



### Marks distribution for Tax Principles and Policy, April 2023

Category of Marks	Frequency
>70% (Distinction)	7
65 – 69% (Merit)	17
50 – 65% (Pass)	6
<50 (Fail)	0
TOTAL	30

**Mean:** 66

**St. Dev:** 5.01

### Distribution of answers for Tax Principles and Policy:

Q. No	No. of answers
1	12
2	18
3	18
4	12

### General Comments on the Examination, and on Specific Questions

30 students submitted two 3,000 word essays for this course. 7 students were given an overall distinction mark and a further 17 had an overall merit mark. As these impressive results indicate, a number of students demonstrated a very pleasing understanding of the materials studied. The best essays showed that those students had done a considerable amount of reading from the comprehensive course reading list on the core and foundational concepts studied in the course and were capable of constructing logical and tight arguments, addressing the question asked. Less strong essays merely repeated the arguments made by others in the literature, sometimes using overly long quotes, and failed to incorporate sufficient analytical and individual thought.

There were some students who did not focus on the question asked sufficiently and their marks suffered as a consequence. Q1 for example, asked students to consider the relationship between the benefit principle and the principle of ability to pay, and also the importance of progressivity in good tax design. Better answers paid significant attention to the benefit principle but addressed all of those elements; weaker answers did not address all those elements and/or got side-tracked into other issues. Q4 gave students a quote from an article discussing the use of consolidated financial accounts. The quote referred to perceived advantages of this. Weaker answers repeated the general arguments in the literature in favour and against tax/book conformity with insufficient attention to the particular arguments raised in the question—on political pragmatism and the adequacy of the accounting information and the use of consolidated rather than individual financial accounts.

Some students seemed to make their own lives difficult by not having taken sufficient notice of the reading list, which was a good guide to the focus of the essays. The best answers to Q2 on drafting a GAAR and related administration looked carefully at the IMF technical note cited in the question and other articles and reports about drafting GAARs that were cited on the reading list. Good answers incorporated a strong appreciation for the more general readings on avoidance as well as a review of the approach adopted in specific countries, which could include but were not confined to the UK. Q4 on choice of tax unit and the role of secondary earnings also required a blend of theoretical

considerations from a good range of readings on the list, combined with some concrete examples focused on deductibility of expenses.

Finally, a few students who did less well based their answers on their personal opinions without drawing enough on the readings and examples drawn from the course, or any other reading. In some cases they offered unsubstantiated opinion., which can never be awarded a high mark in an academic assessment.

### Marks distribution for Tax Research Round Table, April 2023

Category of Marks	Frequency
>70% (Distinction)	12
65 – 69% (Merit)	14
50 – 65% (Pass)	9
<50 (Fail)	0
TOTAL	35

Mean: 67

St. Dev: 4.7

### Distribution of answers for Tax Research Round Table:

Q. No	No. of answers
1	6
2	12
3	8
4	6
5	3

### General Comments on the Examination, and on Specific Questions

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 inequality and tax policy, legal analysis of international anti-avoidance rules, the issues of implementation of VAT, international tax reform and wealth taxation.

The assessed work requires a single essay of 6,000 words; students had a choice from 5 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.

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.

Stronger essays reflected the fact that the students had put in considerable effort in reading and understanding the literature, 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. 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.

### Marks distribution for Tax Treaties, June 2023

Category of Marks	Frequency
>70% (Distinction)	2
65 – 69% (Merit)	16
50 – 65% (Pass)	8
<50 (Fail)	2 (1 X non-submission; 1 X referred to Proctors for concerns re. Poor Academic Practice)
TOTAL	28

**Mean:** 61 (including fails); 65 (excluding fails)

**St. Dev:** 14.84 (including fails); 3.19 (excluding fails)

### Distribution of answers for Tax Treaties:

Q. No	No. of answers
1	4
2	23
3	27

### General Comments on the Examination, and on Specific Questions

Students were given a choice between two essays: question 1, which related to how well treaties address cross-border tax avoidance, or question 2, which concerned permanent establishments and whether the concept is still fit for purpose. Question 3 was a mandatory problem question. It raised issues including the attribution of interest to a bank's PE, the taxation of employees, DAPes, non-discrimination and changes made to the 2017 OECD Model Convention.

On the whole, the essays were stronger than the answers to the problem. This was because students generally discussed a greater range of materials from the reading list for the essay, including examples from cases and relevant academic literature. The best answers considered a range of different views before coming to a well-reasoned conclusion. It was surprising how many students limited themselves entirely to the OECD Commentary when answering the problem question and either did not reference the significant cases, or made only a passing mention of them. The best answers examined the precise wording of these decisions and provided significant discussion about whether they could be distinguished on the particular facts.

Finally, some students were too quick to make assumptions about particular facts, such as the existence of a PE, or made assumptions that could not be supported on the facts provided. This often caused the students concerned to miss out on key issues in the question.

### Marks distribution for Tax & Public Policy, June 2023

Category of Marks	Frequency
>70% (Distinction)	3
65 – 69% (Merit)	12
50 – 65% (Pass)	3
<50 (Fail)	2 (1 X non submission of both papers, 1 X non submission of paper 2)
TOTAL	20

**Mean:** 61 (inclusive of both fails); 66 (excluding both fails)

**St. Dev:** 16.53 (inclusive of fails); 2.62 (excluding fails)

### Distribution of answers for Tax & Public Policy:

Q. No	No. of answers
1	18
2	19

### General Comments on the Examination, and on Specific Questions

The summative assessment for this course was two 3,000 word essays. Candidates were given two essay questions. The first question provided candidates with a wide choice: candidates were asked to briefly describe and evaluate any tax of their choosing. The second question asked candidates to evaluate a proposal for the introduction of a tax on airline flights as one measure to combat greenhouse emissions.

On the first question, the best answers were original and thoughtful. They contained a succinct description of the tax, and a well-structured and clear evaluation of the tax under the different evaluative criteria discussed in class. They also made good use of a range of relevant literature. Weaker answers tended to accept and reproduce arguments or statements found in the literature rather unthinkingly, and typically did not reflect very wide reading around the topic. As in previous years, the more interesting essays chose more uncommon taxes that had not been studied directly or discussed on the MSc. In some cases, where the tax chosen was well-known and already well analysed there was little room for original evaluation.

Many of the strengths and weaknesses found in answers to the first question were also found in answers to the second. The best answers focussed on addressing the question asked, making use of a wide existing literature, including on climate change. They identified a number of issue surrounding the proposal, including the base of the tax, the appropriate rate, and issues in collection and compliance. Most essays assumed that all countries would introduce the tax, so there was relatively little discussion of issues of incentive compatibility.

Finally, we take this opportunity to strongly encourage students to read – or re-read - the advice on essay writing found in the Student Handbook. No concerns about plagiarism were raised.

### Marks distribution for Transfer Pricing, 10 April 2023

Category of Marks	Frequency
>70% (Distinction)	4
65 – 69% (Merit)	2
50 – 65% (Pass)	3
<50 (Fail)	0
TOTAL	9

**Mean:** 67

**St. Dev:** 3.47

### Distribution of answers for Transfer Pricing:

Q. No	No. of answers
1	5
2	6
3	7

### General Comments on the Examination, and on Specific Questions

The summative assessment for this course consisted of two 3,000 word essays. Students were given three essay questions to choose from.

The first question concerned considerations supporting the simplification of the ALP. The second question asked about the advantages and disadvantages of the ALP's increasing reliance on functional proxies which validate or determine how income is allocated. The third question asked about the strengths and weaknesses of the ALP in its Article 9 and Article 7 forms.

All three questions were answered, with question 3 being marginally the most popular. Question 1 was answered by 5 students, Question 2 by 6 students, and Question 3 by 7 students.

We were pleased with the overall quality of the essays.

Some specific points on the answers to the three questions:

Question 1: Some candidates could have improved their mark by exploring some of the more practical lessons from the use of simplification in practice, drawing on the lessons from the case study discussion in class about the experience of the low value-added services regime.

Question 2: Some candidates identified the key examples of proxies commonly used in applying both Article 9 (the control of risk rules) and Article 7 (SPFs used in the application of the AOA) and this increased the quality of the answers in comparison to those who restricted the analysis to Article 9.

Question 3: The better exam scripts sought to analyse in conceptual terms some of the key reasons why problems arise in the application of the ALP, whereas those scripts that simply catalogue the list of problems discussed in the class sessions without this more conceptual framing scored less well.

Finally, we would like to strongly advise students to read the guidance on essay writing found in the MSc handbook. As in previous years, grades were lost because candidates did not always read the question carefully enough or included material that is relevant to a question other than the one asked.



## EXAMINER REPORT OPTION ONE

<b>Name of Paper</b>	<b>UK Taxation of Global Wealth</b>
<b>No. of students taking paper</b>	<b>8</b>

**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 essay from a choice of two questions in both part A and part B. The standard was very good, with five students awarded a mark of 65% or above.

In Part A students were offered the choice of writing an essay either on the UK non-dom tax system or on the use of trusts/foundations by the wealthy. The non-dom question was more popular but there were strong answers to both questions. In Part B, students could choose between essays on wealth inequality and capital taxation, or on taxing residential property. The question on taxing residential property was chosen by almost all the candidates.

The essays from both parts were equally well done, although individual candidates sometimes did better in one or the other part of the assessed work, so that the markers felt that the two parts of the assessed work taken together gave a good view of attainment on this paper. As usual, the best papers showed clear structures behind the answers, proper referencing to the literature as well as statutory and case law sources, and had applied knowledge carefully and specifically to the breakdown of specific questions posed for each essay

**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).

<b>Question 1</b>	
No. of students who answered this question	5
Range of marks	56 - 74
<b>Comments</b> A popular question with a wide range in the quality of answers. The very best demonstrated an excellent understanding of the highly technical provisions and maintained a cohesive response to the quotation while addressing the individual sub-questions. Weaker answers either tended to rely on vague or generalised statements about non-doms or appeared confused about the different taxes.	

<b>Question 2</b>	
No. of students who answered this question	<5
Range of marks	67-72
<b>Comments</b> This question concerned the treatment of trusts and whether they are more than tools for tax avoidance. Responses demonstrated very good awareness of both tax and non-tax issues and the relevant literature.	

<b>Question 3</b>	
No. of students who answered this question	<5
Range of marks	72
<b>Comments</b> An unpopular and difficult question but one that was well answered. The students demonstrated an excellent knowledge of both the legal provisions and recent economic literature, from the UK and elsewhere. These materials were used to develop compelling arguments.	

<b>Question 4</b>	
No. of students who answered this question	6
Range of marks	55-73
<b>Comments</b> Another popular question with a wide range in quality. The top answers adopted a consistent policy rationale throughout their answer and were able to apply that to a variety of different taxes. Some students were less strong because they had a breadth of knowledge but did not demonstrate sufficient depth, such as listing reforms without fully developing their arguments.	

## EXAMINER REPORT

<b>Name of Paper</b>	<b>US International Tax</b>
<b>No. of students taking paper</b>	<b>17</b>

**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, one with “inbound” facts and one with “outbound” facts. Each had a word limit of 3000 words. The two questions were more straightforward than in past exams in the course, and still succeeded in assessing students’ relative performance. Given our expectation that students carefully apply facts to law, it would be productive to continue to emphasize examples that do this in class. Overall: average 65, median 65, standard deviation 5.*

**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).

<b>Question 1</b>	
No. of students who answered this question	17
Range of marks	58-75
<b>Comments</b> Good answers recognized the exposure of both the corporation and the visiting executive in the problem to tax on U.S.-source active income and offered planning solutions such as treating the subsidiary U.S. entity as a corporation through a check-the-box election and carefully isolating tax exposure within that entity. Excellent answers included relevant citations from class, demonstrated a very clear understanding of the corporate structure, and provided thoughtful insights with respect to the policy subpart of the question, based on concerns about collateral effects of U.S. taxation based on market or value creation, including effects related to multinational discussion of similar tax approaches.	

<b>Question 2</b>	
No. of students who answered this question	17
Range of marks	56-74
<b>Comments</b> Good answers recognized the exposure of the outbound structure to GILTI – but not subpart F – income taxation, and explained in detail the likely GILTI inclusion, including the effect of intercompany royalty payments and the “gross-up” income inclusion provision. Good answers also explained how the foreign tax credit mechanism would eliminate residual US tax on GILTI given the level of foreign income taxation. Excellent answers included careful and creative analysis of planning opportunities and the policy choices facing the local jurisdiction considering whether or not to grant a further tax holiday or rate reduction, including the impact of other high- or low-taxed, active or passive income within the group as well as more far-reaching factors such as fairness or efficiency considerations supporting more similar treatment of local and foreign firms, as well as multilateral negotiation implications.	