

Tax Knowledge Library

Proposal for ENGAGE.EU Incubator

University of Mannheim [Business School's Chair of Business Administration and Taxation II \(Prof. Dr. Christoph Spengel\)](#) has created an e-learning self-study tool on taxation, supported with UMA's third-party funds in association with ENGAGE.EU. The Chair is **willing to share** this learning resource and **invite ENGAGE.EU partner universities to integrate** the self-learning tool **into their courses and learning environments**.

Tax Knowledge Library

- Covers **country-unspecific** concepts **of national and international (corporate) taxation**, in English
- **5 modules** with a total of **32 videos** and **35 associated quizzes (>250 unique quiz questions)** featuring various question types, such as multiple or single choice, drag & drop or fill-in-the-blank questions.
 - Fundamentals of Taxation
 - Business Taxation
 - Income Determination & Interaction with Accounting
 - International Taxation
 - Tax Planning
- Goals:
 - Complementary learning material in Tax and Accounting Courses
 - Asynchronous offer for students to prepare for lectures and exams, fill knowledge gaps
 - Enables lecturers to strengthen newly learnt concepts in **introductory courses** or ensure a consistent level of knowledge among students in **advances courses**.

Sharing with ENGAGE.EU partners

- **UMA will not take the lead** for the Incubator Call, but **will collaborate by sharing** the tax knowledge library:
 - Tax Knowledge Library implemented as H5P.com element in UMAs' learning environment ILIAS. Every module is an independent interactive e-book that features one video and the corresponding quizzes as a separate page.
 - UMA will be able to export the H5P element – partners can [import the elements into own learning environments](#), provided they have implemented H5P. If not, Incubator Seed Funding might be used for [purchasing the H5P license](#).
 - Alternatively, partners build the tax knowledge library in their own learning environments, based on UMA's videos and quizzes.

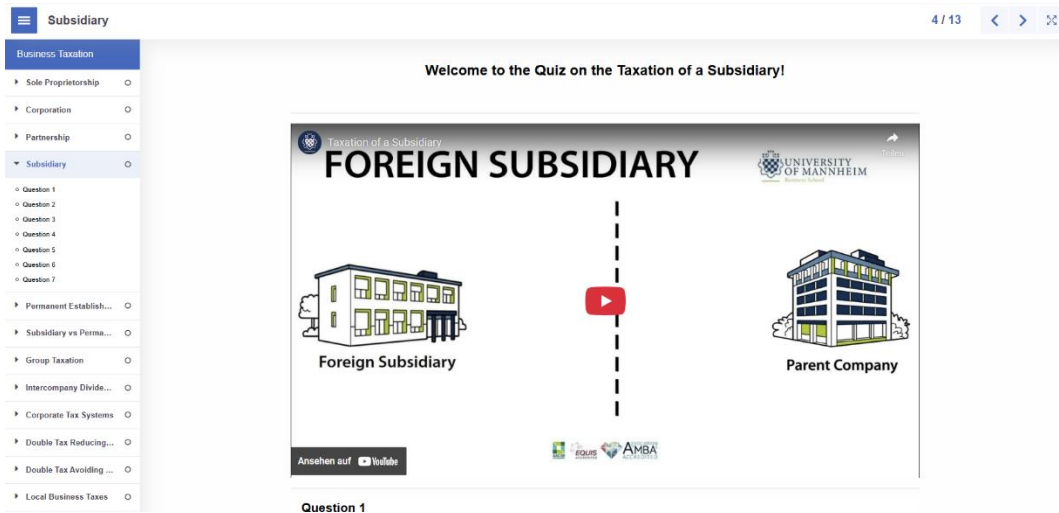
Benefit for ENGAGE.EU

- Asynchronous self-study tool available across the alliance's tax and accounting courses
- Large number of students (introductory and advances tax and accounting courses) at participating universities benefiting from an ENGAGE.EU offer.

Video (Example)

The videos are also available on Prof. Spengels Chair's [website](#).

Embedded in H5P element:



Quiz (Example)

Question 4

Parent company A fully owns subsidiary B. Subsidiary B generates profits and decides to fully retain the profits. **Please indicate whether the following statement is true or false.**

As subsidiary B is taxed independently of its parent company A, the retained subsidiary profits are subject to double taxation.

True

✓ False

This answer is correct. The statement is false. The retained subsidiary profits are only subject to tax on the level of subsidiary B. Therefore, no (economic) double taxation occurs. Double taxation only arises when subsidiary B distributes its profits to parent company A. Upon distribution, the subsidiary profits are included in the income of parent company A and thus, are taxed a second time at the level of parent company A. You can find more information on the taxation of intercompany dividends in the Video on "Taxation of Intercompany Dividends" in the Tax Video Library (<https://youtu.be/tFa4BVFFyco>).

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Question 5

Parent company A fully owns subsidiary B. Subsidiary B generates profits of 100 MU (monetary units) and decides to retain 60% of the profits while the other 40% of the profits can be distributed to parent company A. Subsidiary B is subject to a corporate income tax rate of 25%. **Please calculate the after-tax amount of profits that subsidiary B can distribute to parent company A.**

✗ 40 MU

This answer is wrong. 40 MU is the amount of pre-tax profits that subsidiary B wants to distribute to parent company A. The after-tax amount of profits that subsidiary B can distribute to parent company A is calculated as follows: $100 \text{ MU} \times (1 - 0.25) \times 0.4 = 30 \text{ MU}$.

45 MU

25 MU

60 MU

30 MU

15 MU

10 MU