Comments on Candidate Performance on Taxation (December 2017)

Overall, most candidates appear to have fully understood the situations presented in the cases. The majority of candidates were able to sufficiently address, analyze and discuss the directed requirements of the cases and also provided responses with an appropriate balance of quantitative and qualitative analysis.

While most candidates appropriately demonstrated their technical knowledge when addressing the required elements of the case, some candidates appeared to struggle to with the technical knowledge required to provide a complete and accurate analysis. Specifically, certain candidates appeared to struggle with eligibility for the lifetime capital gains exemption in certain specific circumstances. Many candidates also struggled with the mechanics of a S.85 rollover. In addition, on a financial reporting AO, many candidates struggled with a calculation of future income taxes.

Comments on Skills

Identification: While most candidates identified and/or attempted to address all of the required elements of the cases it appears that certain candidates would have benefited from spending additional time planning their responses to ensure all required elements of the cases were being sufficiently addressed and that case facts needed to address these required elements were also being identified. Alternatively, perhaps technical weaknesses led certain candidates to avoid addressing all of the required elements.

Analysis: Candidates varied widely in their analysis of the issues. While most candidates provided a rich analysis of the issues, some candidates provided a very superficial analysis that would not be useful for their client. For example, many candidates failed to provide explanations to justify their approach to a S.85 rollover which therefore limited the value of their analysis.

Integration: While the majority of candidates properly applied case facts in order to add depth to their response, certain candidates failed to do so and instead provided discussions which were incomplete or of limited value since not all relevant case facts were being considered in their analysis. This resulted in generic responses which, for example, would have been of limited value to their client.

Conclusion: Despite the cases specifically requesting a recommended course of action, many candidates failed to provide an overall conclusion or recommendation by integrating various components of their response. In some instances, conclusions were unsupported and/or did not align with a candidate's analysis.

Communication: Nearly all candidates adequately communicated within their response. Language used was appropriate and quantitative information was well presented.