

IT & CGT – FA25 CHANGES GUIDE

Note that all chapters have been updated for 2025/26 thresholds, rates and allowances.

FA25 Ch	FA24 Ch	Topic	Major changes	Minor changes	No changes	Notes
1	1	An introduction to self-assessment		✓		Examples of who may have to file a tax return updated. Taxpayers wishing to file a paper return can now download and print a copy from the Gov.UK website.
2	2	Payment dates, interest and penalties			✓	
3	3	Self-assessment – further aspects			✓	
4	4	Class 1 National Insurance Contributions		✓		From 2025/26, the employment allowance is available regardless of whether the amount of the previous year's Class 1 NICs liability exceeds £100,000.
5	5	Class 1A and 1B National Insurance Contributions			✓	
6	6	Class 4 National insurance			✓	

7	7	Employed or self-employed?	✓			Updated to take account of current HMRC position following recent cases.
8	8	Introduction to capital gains tax		✓		Change in rates of CGT from 30 October 2024 (10% to 18% and 20% to 24%) Separate rate for residential property abolished from 30 October 2024.
9	9	Calculation of capital gains			✓	
10	10	Business Asset Disposal Relief and Investors' relief		✓		Change in rate of BADR from 10% to 14%. Rates and lifetime allowance for Investors' relief changed.
11	11	Relief for capital losses			✓	
12	12	Part disposals			✓	
13	13	Sales of leases			✓	
14	14	Grants of leases			✓	
15	15	Chattels			✓	
16	16	Connected persons and inter spouse transfers			✓	

17	17	Shares and securities – matching rules			✓	
18	18	Bonus issues and rights issues			✓	
19	19	Rollover relief			✓	
20	20	Rollover relief and depreciating assets			✓	
21	21	Rollover relief – further aspects			✓	
22	22	Gift relief			✓	
23	23	Gift relief – restrictions			✓	
24	24	Partnership capital gains			✓	

BUSINESS TAX – FA25 CHANGES GUIDE

This guide refers to changes from Finance Act 2025.

Note that all chapters have been updated for 2025/26 thresholds, rates and allowances.

FA25 Ch	FA24 Ch	Topic	Major changes	Minor changes	No changes	Notes
1	1	Introduction to business entities			✓	
2	2	Calculating the income tax liability			✓	
3	3	Trading income and the badges of trade			✓	
4	4	Cash basis		✓		Clarification of the treatment when an asset purchased by the trader for private purposes is introduced into the trade
5	5	Cash basis – Common expenses			✓	
6	6	Cash basis – Further expenses		✓		Clarification of treatment of pre-trading capital expenditure

7	7	Capital allowances on cars – General principles		✓		FYA on zero-emission cars extended to apply to expenditure incurred before 6 April 2026
8	8	Capital allowances on cars – Further points			✓	
9	9	Basics of accounting			✓	
10	10	Accruals basis			✓	
11	11	Accruals basis – Further rules			✓	
12	12	Capital allowances for plant and machinery			✓	
13	13	Capital allowances – Computations		✓		FYA on zero-emission cars and electric vehicle charging points extended to apply to expenditure incurred before 6 April 2026

14	14	Capital allowances – Further computations			✓	
15	15	Structures and buildings allowances			✓	
16	16	Change of basis for calculating profits			✓	
17	17	Tax year basis			✓	
18	18	Losses – Continuous trades			✓	
19	19	Losses on Commencement and Cessation of trade	✓			Chapter renamed. Terminal loss relief section rewritten for clarity
20	20	Introduction to partnerships			✓	
21	21	Partnership changes			✓	

22	22	Partnership admissions and retirements			✓	
23	23	Partnership losses			✓	
24	24	Farmers			✓	

CORPORATION TAX – FA25 CHANGES GUIDE

This guide refers to changes from the Finance Act 2025.

Note that all chapters have been updated for FY 2025 rates.

FA25 Ch	FA24 Ch	Topic	Major changes	Minor changes	No changes	Notes
1	1	Introduction to corporation tax			✓	
2	2	Computation of corporation tax	✓			Material on FY2022 and APs straddling 1.4.23 deleted as no longer in the syllabus.
3	3	Long periods of account			✓	
4	4	Corporation tax self-assessment (CTSA)			✓	
5	5	Payment of corporation tax			✓	
6	6	Interest on late paid corporation tax and repayments		✓		Updated for change in assumed interest rates.
7	7	CTSA Penalty regime			✓	

8	8	Property income			✓	
9	9	Loan relationships			✓	
10	10	Corporate capital gains			✓	
11	11	Corporate capital gains – Shares			✓	
12	12	Relief for trading losses			✓	
13	13	Relief for other losses			✓	
14	14	VAT General Principles			✓	
15	15	Registration	✓			<p>Generally a person has one month to submit their final VAT return after de-registering. An SI gives HMRC the power to extend this time limit.</p> <p>A few paragraphs have been included concerning private schools and when they need to register, and recovery of VAT when they started making taxable supplies of education (broadly from 1.1.25).</p>
16	16	Definition of Supplies			✓	
17	17	Schedule 8 VATA 1994 – Zero-Rating			✓	

18	18	Schedule 9 VATA 1994 – Exemptions		✓		Private schools charge VAT on supplies of education fees and board and lodging from 1.1.25 (subject to special pre-payment rules)
19	19	Value of the Supply			✓	
20	20	Time of Supply		✓		A section has been added on Private Schools and tax points
21	21	Input Tax – When to Recover		✓		Advisory fuel rates have been updated – they are on the tax tables
22	22	VAT Records & Returns			✓	