

AW FOR APS IHTE – FA25 CHANGES GUIDE

PERSONAL INCOME TAX

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	Relief for married couples			✓	
2	2	Deductible payments			✓	
3	3	Tax relief on donations to charity			✓	
4	4	Scottish taxpayers			✓	
5	5	Introduction to property income		✓		References to FHLs removed as regime abolished from 6 April 2025.
6	6	Property income – further aspects	✓			FHL regime abolished from 6 April 2025. Transitional rules re capital allowances and losses added.
7	7	Introduction to employment income and benefits		✓		From 6 April 2027, all benefits apart from living accommodation and beneficial loans must be reported and taxed via payroll.
8	8	Company car and fuel benefits		✓		4% supplement re diesel cars no longer examinable as most diesel company cars meet RDE2 standard.

9	9	Living accommodation – taxable benefits			✓	
10	10	Loans to employees and use of assets			✓	
11	11	Miscellaneous benefits and other points		✓		Exemptions for childcare schemes joined pre 4 October 2018 no longer examinable.
12	12	Expenses of employment			✓	
13	13	Introduction to PAYE		✓		From 6 April 2027, all benefits apart from living accommodation and beneficial loans must be reported and taxed via payroll.
14	14	Operation of the PAYE system		✓		In 2025/26 a PAYE scheme will be required where at least one employee is paid at or above the secondary threshold for Class 1 NIC purposes, any employee has another job or receives any pension, or is receiving any benefits or expenses from the employer.
15	15	PAYE – Penalties and Interest			✓	

16	16	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.
17	17	Class 1A and 1B National Insurance Contributions			✓	
18	18	Termination payments			✓	
19	19	Employed or self-employed?	✓			Updated to take account of current HMRC position following recent cases.
20	20	Pension schemes		✓		FHL removed from the definition of net relevant earnings as regime abolished from 6 April 2025.
21	21	Miscellaneous provisions		✓		Introduction of digital reporting for HICBC. Clarification of official rate of interest to apply when calculating POA charge for chattels.
22	22	The Enterprise Investment Scheme			✓	

23	23	Residence – The Statutory Residence Rules			✓	
24	n/a	Taxation of Foreign Income: UK residents	✓			Brand new chapter
25	n/a	UK Residents: Relief for Foreign Tax	✓			Brand new chapter. Based on existing material but updated to take account of post April 2025 rules and FIG relief.
26	n/a	Non-UK residents – UK Tax Position	✓			Brand new chapter. Based on existing material but updated to take account of post April 2025 rules
27	n/a	The Taxation of Remittances		✓		Brand new chapter
28	n/a	The Temporary Repatriation Facility		✓		Brand new chapter
29	29	Double Taxation Treaties			✓	

CAPITAL GAINS TAX

FA25 Ch	FA24 Ch	Topic	Major changes	Minor changes	No changes	Notes
30	30	Options and other intangible assets			✓	
31	31	EIS and SEIS reinvestment relief			✓	
32	32	Gains and Losses on EIS and SEIS shares			✓	
33	33	Purchase of own shares		✓		Change in CGT rate.
34	34	Transfer of assets abroad		✓		Minor changes as a result of the new FIG regime rules.
35	35	Transactions in UK land			✓	
36	36	Annual tax on enveloped dwellings (ATED)			✓	

BUSINESS INCOME TAX

FA25 Ch	FA24 Ch	Topic	Major changes	Minor changes	No changes	Notes
37	37	Introduction to business entities			✓	
38	38	Trading income and the badges of trade			✓	
39	39	Cash basis		✓		Clarification of the treatment when an asset purchased by the trader for private purposes is introduced into the trade
40	40	Cash basis – Common expenses			✓	
41	41	Cash basis – Further expenses		✓		Clarification of treatment of pre-trading capital expenditure
42	42	Basics of accounting			✓	
43	43	Accruals basis			✓	
44	44	Accruals basis – Further rules			✓	
45	45	Tax year basis			✓	

46	46	Losses – Continuous trades			✓	
47	47	Losses on Commencement and Cessation of Trade	✓			Chapter renamed. Terminal loss relief section rewritten for clarity
48	48	Class 4 National insurance			✓	
49	49	Introduction to partnerships			✓	
50	50	Partnership changes			✓	
51	51	Partnership admissions and retirements			✓	
52	52	Partnership losses			✓	
53	53	Limited liability partnerships			✓	
54	54	Partnership capital gains – basic principles			✓	

55	55	Partnership capital gains – further aspects			✓	
56	56	Partnership capital gains – asset revaluations			✓	

CORPORATION TAX

FA25 Ch	FA24 Ch	Topic	Major changes	Minor changes	No changes	Notes
57	57	Introduction to corporation tax		✓		End date of FYAs for special tax sites extended.
58	58	Computation of corporation tax	✓			Material on FY2022 and APs straddling 1.4.23 deleted as no longer in the syllabus.
59	59	Associated companies	✓			Material on APs straddling 1.4.23 deleted as no longer in the syllabus.
60	60	Long periods of account			✓	
61	61	Corporation tax self-assessment (CTSA)			✓	
62	62	Payment of corporation tax			✓	
63	63	Property Income			✓	
64	64	Corporate capital gains			✓	

65	65	Relief for trading losses			✓	
66	66	Relief for property losses		✓		Short explanation of FHL losses following the abolition of FHL regime given.
67	67	Change in ownership of a company		✓		Examples on interaction of MCINOCOT and MCINOCOB added.
68	68	Close company definition		✓		Treatment of associates clarified where their shareholdings are attributed to another participator.
69	69	Close company implications		✓		Statement of entities within the charge to s.455 tax clarified and statutory references to bed and breakfasting rules updated for FA 2025.
70	70	Informal winding up	✓			Explanation of informal winding-up procedure restructured and more explanatory detail given (with extra illustration added).

VAT & STAMP TAXES

FA25 Ch	FA24 Ch	Topic	Major changes	Minor changes	No changes	Notes
71	71	VAT General Principles			✓	
72	72	Registration	✓			<p>VAT can be recovered on services incurred prior to registration if the services were used wholly for supplies that would have been taxable had the business been registered. Where they relate to supplies after registration, VAT can be recovered subject to normal rules</p> <p>Generally a person has one month to submit their final VAT return after de-registering. Under an SI, HMRC now have the power to extend this time limit</p> <p>Paragraphs added re 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). Pre registration VAT on goods can have a pro-ration of 5 years economic life</p>
73	73	Stamp duty on shares			✓	

74	74	SDLT	✓			<p>Additional dwelling rate is 5% (3% prior to 1.4.25)</p> <p>Higher rate for enveloping dwellings is 17% (15% prior to 1.4.25)</p> <p>Bands have changed for residential properties.</p> <p>First time buyer rates/bands have changed (0% on first £300k – max £500k purchase)</p> <p>All new rates/bands for residential properties are on the tax tables</p> <p>MDR has been removed from the syllabus</p>
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