

AW FOR APS IND – FA25 CHANGES GUIDE

BUSINESS TAX

All chapters have been updated for changes in the rate of personal allowances and tax bands.

FA25 Ch	FA24 Ch	Topic	Major changes	Minor changes	No changes	Notes
1	1	Introduction to business entities			✓	
2	2	Tax year basis			✓	
3	3	Losses – continuous trades			✓	
4	4	Losses on commencement and cessation of trade	✓			Chapter renamed. Terminal loss relief section rewritten for clarity
5	5	Class 4 National Insurance			✓	
6	6	Introduction to partnerships			✓	
7	7	Partnership changes			✓	
8	8	Partnership admissions and retirements			✓	

9	9	Partnership losses			✓	
10	10	Limited liability partnerships			✓	
11	11	Partnership capital gains – basic principles			✓	
12	12	Partnership capital gains – further aspects			✓	
13	13	Partnership capital gains – asset revaluations			✓	

IHT, TRUSTS AND ESTATES

FA25 Ch	FA24 Ch	Topic	Major changes	Minor changes	No changes	Notes
14	14	Introduction to inheritance tax	✓			'Long-term UK resident' replaces 'domiciled' as basis of IHT charge in 'Scope of IHT' section Note. 'Excluded property' moved into this chapter
15	15	Chargeable transfers		✓		'Long term UK resident' replaces 'domiciled' in section on exempt transfers
16	16	Chargeable lifetime transfers – calculation of tax			✓	
17	17	Lifetime transfers – 'grossing-up'			✓	
18	18	Additional tax on death			✓	
19	19	Business property relief			✓	
20	20	Agricultural property relief			✓	Tutorial note added regarding non-examinability of new APR & BPR rules
21	21	APR and BPR on death			✓	
22	22	'Fall in value' relief			✓	

23	23	The death estate		✓		'Long term UK resident' replaces 'domiciled' in section on exempt transfers
24	24	Nil Rate Bands			✓	
25	25	IHT valuation rules		✓		'Long term UK resident' replaces 'domiciled' in section on foreign assets
26	26	Quick succession relief			✓	
27	27	Gifts with reservation of benefit	✓			'Long term UK resident' replaces 'domiciled' and definition of 'excluded property' updated
28	28	Pre-owned Assets			✓	
29	29	Overseas Aspects of IHT	✓			New chapter as a result of the abolition of the old domicile regime which is replaced with a system under which IHT liability is determined by 'long-term UK residence'.
30	30	Restricted Spouse Exemption	✓			New chapter. The restricted spouse exemption now applies to transfers by a spouse who is long-term UK resident (LTUKR) to a spouse who is not LTUKR. Transitional rules apply where elections were made under the previous domicile regime.
31	31	Inheritance tax administration	✓			'Long term UK resident' replaces 'domiciled' and scope of excepted estate updated
32	32	Payment of tax and the instalment option			✓	

33	33	Introduction to trusts		✓		Gains rules for overseas trusts and residence definition updated. New rates of CGT for 2025/26.
34	34	Income tax on interest in possession trusts			✓	
35	35	Income tax on discretionary trusts		✓		Explanation of the treatment of low income trusts clarified.
36	36	Exit charges on relevant property trusts		✓		Definition and IHT treatment of excluded property updated
37	37	Inheritance tax – Principal charges		✓		Excepted settlement condition for residence status of settlor updated
38	38	Other trusts for children			✓	
39	39	Interest in possession trusts – IHT issues		✓		'Long term UK resident' replaces 'domiciled' in section on IIP trusts created on death
40	40	Interest in possession trusts – Further aspects			✓	
41	41	Trust income taxed on the settlor			✓	
42	42	Estates in administration		✓		'Long term UK resident' replaces 'domiciled' in section on taxation of estates and CGT rates updated
43	43	Beneficiaries of deceased estates			✓	

STAMP TAXES

FA25 Ch	FA24 Ch	Topic	Major changes	Minor changes	No changes	Notes
44	44	Stamp duty on shares			✓	
45	45	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>

OTHER TOPICS

FA25 Ch	FA24 Ch	Topic	Major changes	Minor changes	No changes	Notes
46	46	Annual tax on enveloped dwellings (ATED)			✓	
47	47	Off-Payroll working			✓	