

AW FOR APS VAT – FA24 CHANGES GUIDE

PERSONAL INCOME TAX & NIC

This guide refers to changes from both Finance Act 2024 and Finance (No 2) Act 2024.

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

FA24 Ch	FA23 Ch	Topic	Major changes	Minor changes	No changes	Notes
1	1	Introduction to the UK tax system			✓	
2	2	Calculating the income tax liability			✓	
3	3	Relief for married couples			✓	
4	4	Deductible payments			✓	
5	5	Tax relief on donations to charity		✓		Relief only available in respect of gifts to UK charities from 6 April 2024.
6	6	Scottish taxpayers			✓	
7	7	An introduction to self assessment			✓	
8	8	Payment dates, interest & penalties			✓	

9	9	Introduction to property income			✓	
10	10	Property income: further aspects		✓		Note added re abolition of FHL status from April 2025 – not examinable.
11	11	Introduction to employment income & benefits			✓	
12	12	Company car & fuel benefits			✓	
13	13	Living accommodation: taxable benefits			✓	
14	14	Loans to employees & use of assets			✓	
15	15	Miscellaneous benefits			✓	
16	16	Expenses of employment			✓	
17	17	Introduction to PAYE			✓	
18	18	Operation of the PAYE System			✓	

19	19	Class 1 National Insurance Contributions		✓		Class 2 NICs are no longer mandatory for self-employed individuals from 6 April 2024.
20	20	Class 1A & 1B National Insurance			✓	
21	21	Class 4 National Insurance	✓			Class 2 NICs are not due in respect of taxable trade profits from 2024/25. Where profits are less than the small profits threshold the individual can pay voluntary Class 2 NICs in order to preserve entitlement to the state pension.
22	22	Termination payments		✓		HMRC guidance now only provided via Non-Statutory Clearance Service.
23	23	Employed or self employed?			✓	
24	24	Off-Payroll Working			✓	
25	25	Construction Industry Deduction Scheme	✓			VAT obligations are now considered when applying the Compliance Test and the Scheduled Review.

CAPITAL GAINS TAX

FA24 Ch	FA23 Ch	Topic	Major changes	Minor changes	No changes	Notes
26	26	Introduction to capital gains tax		✓		Rate of CGT on residential property gains for higher rate taxpayers is 24% from 2024/25. Beneficial to set balance of BR band against gains on other assets in priority.
27	27	Calculation of capital gains			✓	
28	28	Business asset disposal relief			✓	
29	29	Relief for capital losses			✓	
30	30	Reporting of gains and payment of CGT			✓	
31	31	Part disposals			✓	
32	32	Sales of leases			✓	
33	33	Grants of leases			✓	
34	34	Chattels			✓	
35	35	Connected person & Inter Spouse Transfers			✓	

36	36	Shares & securities: Matching rules			✓	
37	37	Bonus issues & rights issues			✓	
38	38	Takeovers and reorganisations			✓	
39	39	Gilts & QCBs			✓	
40	40	Earn-outs & deferred consideration			✓	
41	41	Options			✓	
42	42	Rollover relief			✓	
43	43	Rollover relief & depreciating assets			✓	
44	44	Gift relief			✓	
45	45	Gift relief - restrictions			✓	
46	46	EIS and SEIS reinvestment relief			✓	
47	47	Gains and Losses on EIS and SEIS shares			✓	
48	49	Private residence relief			✓	
49	50	PRR relief - further aspects			✓	

50	51	Assets lost or destroyed			✓	
51	52	Compensation for assets damaged			✓	
52	53	Purchase of Own Shares			✓	
53	54	Transactions in UK Land			✓	
54	55	Annual Tax on Enveloped Dwellings		✓		Detail added re sale of property in year and Relief Declaration Returns.

BUSINESS TAX

FA24 Ch	FA23 Ch	Topic	Major changes	Minor changes	No changes	Notes
55	n/a	Introduction to Business Entities	✓			New chapter this year
56	56	Trading Income and the Badges of Trade		✓		Sections of this chapter have been re-written for clarity
57	n/a	Cash Basis	✓			New chapter. The cash basis is the default method of calculating taxable trade profits from 2024/25. The limit on business receipts of £150,000 has been removed. There is no longer a restriction for the deduction of interest expense or in the use of trade losses.
58	n/a	Cash Basis – Common Expenses	✓			New chapter this year
59	n/a	Cash Basis – Further Expenses	✓			New chapter this year
60	n/a	Capital allowances for cars – General principles	✓			New chapter this year
61	n/a	Capital allowances for cars – Further points	✓			New chapter this year
62	n/a	Basics of accounting	✓			New chapter this year
63	n/a	Accruals basis	✓			New chapter this year
64	n/a	Accruals basis – Further rules	✓			New chapter this year

65	n/a	Stock adjustments	✓			New chapter this year
66	n/a	Capital allowances for plant and machinery	✓			New chapter this year
67	n/a	Capital allowances – Computations	✓			New chapter this year
68	n/a	Capital allowances – Further computations	✓			New chapter this year
69	67	Structures and Buildings Allowance			✓	
70	59	The Tax Year Basis	✓			The current year basis and calculation of transition profits on the move to the tax year basis are no longer in the syllabus. The taxation of transition profits remains examinable.
71	68	Losses - Continuous Trades			✓	
72	69	Losses - Opening and Closing Years		✓		Section on terminal loss relief re-written as a result of the move to the Tax Year Basis.
73	70	Introduction to Partnerships			✓	
74	71	Partnership Changes			✓	
75	72	Partnership Admissions and Retirements			✓	
76	73	Partnership Losses			✓	
77	74	Limited Liability Partnerships			✓	

78	75	Partnership Capital Gains - basic principles			✓	
79	76	Partnership Capital Gains - further aspects			✓	
80	77	Partnership Capital Gains - asset revaluations			✓	
81	<i>n/a</i>	Incorporation – Income tax aspects	✓			New chapter this year
82	<i>n/a</i>	Incorporation – Capital gains aspects	✓			New chapter this year
83	<i>n/a</i>	Incorporation – Other aspects	✓			New chapter this year

CORPORATION TAX

FA24 Ch	FA23 Ch	Topic	Major changes	Minor changes	No changes	Notes
84	78	Introduction to Corporation Tax	✓			Section on FYAs rewritten
85	79	Computation of Corporation Tax			✓	
86	80	Associated Companies			✓	
87	81	Long Periods of Account			✓	
88	82	Corporation Tax Self-Assessment (CTSA)			✓	
89	83	Payment of Corporation Tax			✓	
90	84	Interest on Late Paid Tax and Repayments		✓		Updated for interest rate changes
91	85	CTSA Penalty Regime			✓	
92	86	Property Income			✓	
93	87	Loan Relationships			✓	
94	88	Corporate Capital Gains			✓	
95	89	Intangible Fixed Assets			✓	

96	90	Research and Development Expenditure	✓			Chapter rewritten to cover merged scheme and relief for R&D intensive SMEs
97	91	Companies with Investment Business			✓	
98	92	Relief for Trading Losses		✓		Terminal loss relief illustration added for case of loss in penultimate accounting period
99	93	Relief for Other Losses			✓	
100	94	The Principles of Group Relief			✓	
101	95	Group Relief – Effective Use of Losses		✓		Amendments made to improve relevance for 2025 exams
102	96	Group Relief – Further Aspects			✓	
103	97	Group Capital Gains			✓	
104	98	Group Gains – Further Aspects			✓	
105	99	Change in Ownership of a Company			✓	
106	n/a	Transfer of trade	✓			New chapter this year
107	n/a	Sale of shares	✓			New chapter this year
108	100	Residence and Double Tax Relief			✓	