

HUMAN CAPITAL – FA 25 CHANGES GUIDE

All chapters have been updated to reflect applicable rates, allowances and thresholds for 2025/26.

FA25 Ch	FA24 Ch	Topic	Major changes	Minor changes	No changes	Notes
1	1	Introduction to Human Capital			✓	
2	2	Employment Status		✓		Expanded to include the test first outlined in <i>Ready Mixed Concrete (South East) Ltd v Minister of Pensions and National Insurance (1968)</i>
3	3	Identifying Employment Income			✓	
4	4	The Benefits Code – General Principles			✓	
5	5	Vouchers			✓	
6	6	Company Car and Fuel Benefits		✓		Supplement for diesel cars provided by the employer is removed as no longer examined
7	7	Company Vans			✓	
8	8	Living Accommodation – Taxable Benefits			✓	

9	9	Loans to Employees		✓		Minor changes reflecting that as ORI is now reviewed quarterly (Assumed 3.75% rate for the purposes of the exam).
10	10	Other Taxable Benefits			✓	
11	11	Optional Remuneration Arrangements			✓	
12	12	Exemptions	✓			Childcare vouchers are now removed from the syllabus.
13	13	Expenses and Other Deductions			✓	
14	14	Particular Types of Employees			✓	
15	15	The PAYE System			✓	
16	16	Calculating PAYE			✓	
17	17	Dealing with PAYE Compliance Failures			✓	
18	18	Voluntary Payrolling of Benefits			✓	
19	19	PAYE Settlement Agreements and Taxed Award Schemes			✓	

20	20	Payroll Giving			✓	
21	21	Corporation Tax and VAT Implications for the Employer			✓	
22	22	Employment Income Provided Through Third Parties			✓	
23	23	Termination Payments			✓	
24	24	Statutory Sick Pay			✓	
25	25	Statutory Leave and Payments		✓		Inclusion of statutory neonatal care leave and pay. Increase in amount of statutory payments recoverable by small employers.
26	26	Student and Postgraduate Loans			✓	
27	27	Construction Industry Scheme			✓	
28	28	Class 1 NICs		✓		Consequential changes as a result of reduction of Class 1 NICs secondary threshold and increase in Class 1 secondary contribution rate. Extension of veteran rate to end of 2025/26

29	29	Employment Allowance	✓			Removal of £100,000 eligibility criteria
30	30	Class 1A and Class 1B NICs			✓	
31	31	Employment Intermediaries – Overview			✓	
32	32	Agencies			✓	
33	33	Off-Payroll Working Rules			✓	
34	34	Managed Service Companies			✓	
35	35	Personal Service Companies			✓	
36	36	Additional Reporting Requirements for Employment Intermediaries			✓	
37	37	Pension Schemes			✓	
38	38	Automatic Enrolment			✓	
39	39	Employment-Related Securities – General			✓	

40	40	Company Share Option Plans			✓	
41	41	Enterprise Management Incentives (EMIs)			✓	
42	42	SAYE Option Schemes			✓	
43	43	Share Incentive Plans (SIPs)			✓	
44	44	Restricted Securities			✓	
45	45	Convertible Securities and Other Common Share Plans			✓	
46	46	Other Tax Charges on Employment-Related Securities			✓	
47	47	Employee Ownership Trusts	✓			Expansion of qualifying criteria and holding period for CGT exemption
48	48	Introduction to Internationally Mobile Employees	✓			Abolition of the remittance basis and introduction of Foreign Income and Gains Regime.
49	49	Residence – The Statutory Residence Rules			✓	

50	50	Residence – The Split Year rules			✓	
51	51	Qualifying New Residents	✓			New chapter replacing 'The Non-UK Domiciled Employee' to reflect the abolition of the remittance basis and the introduction of Foreign Income and Gains (FIG) regime.
n/a	52	Dual Contracts				Chapter deleted as no longer relevant under the FIG regime
52	53	Double Taxation Agreements			✓	
53	54	Tax Equalisation			✓	
54	55	Administrative Easements when dealing with Internationally Mobile Employees	✓			Replacement of s 690 directions with notifications under s 690A and s 690D. Inclusion of additional detail on Appendix 4 reporting
55	56	Travel and Subsistence Expenses for Internationally Mobile Employees	✓			Amendment of the statutory home leave rules to reflect abolition of domicile.
56	57	International Aspects of NICs			✓	
57	58	International Pension Scheme Issues		✓		Removal of being established in an EEA state as one of the criteria for a qualifying overseas pension scheme and a qualifying recognised overseas pension scheme.

58	59	Employment-Related Securities and Internationally Mobile Employees	✓			Changes to calculation of taxable specific income due to abolition of the remittance basis and the introduction of the Foreign Income and Gains regime
59	60	Capital Gains Tax Issues for Internationally Mobile Employees	✓			Abolition of the remittance basis and introduction of Foreign Income and Gains Regime.
60	61	Senior Accounting Officer Responsibilities			✓	
61	62	National Minimum Wage		✓		Inclusion of more detail on how to calculate the hours worked.
62	63	Apprenticeship Levy		✓		Update of content on the digital service
63	64	An Introduction to Anti-avoidance			✓	
64	65	Disclosure of Tax Avoidance Schemes			✓	
65	66	Follower Notices and Accelerated Payments			✓	
66	67	HMRC Powers			✓	