

HUMAN CAPITAL – FA 24 CHANGES GUIDE

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

For the exams in 2025, this study manual has been extensively rewritten and expanded. Where we indicate below that a chapter has “Minor Changes” but there are no comments in the “Notes” column, this simply means that additional illustrations and/or examples have been added.

FA24 Ch	FA23 Ch	Topic	Major changes	Minor changes	No changes	Notes
1	-	Introduction to Human Capital	✓			New chapter giving an overview of employer obligations and drawing other chapters together.
2	1	Employment Status		✓		Formerly 'Employed or Self-Employed'.
3	2	Identifying Employment Income	✓			Formerly 'Introduction to Employment Income' . Expansion of payment methods and receipts basis. PAYE elements moved to Chapter 15.
4	3	The Benefits Code – General Principles		✓		Expansion of the introduction.
5	4	Vouchers		✓		
6	5	Company Car and Fuel Benefits		✓		
7	6	Company Vans		✓		
8	7	Living Accommodation – Taxable Benefits		✓		

9	8	Loans to Employees		✓		
10	9	Other Taxable Benefits	✓			Formerly 'Miscellaneous Benefits'. Expansion on detail of ITEPA 2023, s.222 charge and inclusion of s.223.
11	14	Optional Remuneration Arrangements		✓		
12	10	Exemptions	✓			Rewritten and expanded to include more detail as well as additional exempt benefits.
13	11	Expenses and Other Deductions	✓			Formerly 'Deductions'. Rewritten and expanded to include more detail as well as additional expenses.
14	12	Particular Types of Employee	✓			Expanded to include more detail on ministers of religion and to deal with salaried partners. Employee Ownership Trusts moved to Chapter 47.
-	15	Introduction to PAYE				Removed – content now included in Chapter 17.
15	16	The PAYE System	✓			Formerly 'PAYE Operation and Compliance'. Rewritten and expanded to provide more detail on how the PAYE system is structured and operates, including new sections on payslips and business changes. Compliance section moved to Chapter 17.
16	-	Calculating PAYE	✓			Formerly 'Introduction to PAYE'. Rewritten to focus on how PAYE is calculated with more detail.

17	-	Dealing with PAYE Compliance Failures	✓			New chapter covering the consequences of failing to comply with PAYE obligations.
18	17	Voluntary Payrolling of Benefits		✓		
19	22	PAYE Settlement Agreements and Taxed Award Schemes			✓	
20	21	Payroll Giving		✓		
21	-	Corporation Tax and VAT Implications for the Employer	✓			New chapter summarising the key corporation tax and VAT issues needed for CTA Human Capital.
22	13	Employment Income Provided Through Third Parties		✓		
23	27	Termination Payments	✓			Rewritten to include more detail and reflect the order in which the rules are applied in practice.
24	18	Statutory Sick Pay		✓		Inclusion of additional detail on eligibility.
25	19	Statutory Leave and Payments			✓	

26	20	Student and Postgraduate Loans		✓		
27	23	Construction Industry Scheme		✓		
28	24	Class 1 NICs	✓			Expanded with additional detail.
29	25	Employment Allowance		✓		
30	26	Class 1A and Class 1B NICs	✓			Expanded with additional detail.
31	-	Employment Intermediaries – Overview	✓			New chapter drawing together the employment intermediary legislation.
32	28	Agencies		✓		
33	29	Off-Payroll Working Rules		✓		Rewritten to tie into new Chapter 31.
34	31	Managed Service Companies		✓		
35	30	Personal Service Companies		✓		Rewritten to tie into new Chapter 31.
36	32	Additional Reporting Requirements for Employment Intermediaries		✓		

37	33	Pension Schemes		✓		Expanded to include detail around ITEPA 2003, s.307.
38	34	Automatic Enrolment		✓		
39	35	Employment-Related Securities – General	✓			Formerly 'Introduction to Share Plans'. Rewritten and expanded to draw together the general principles relating to employment-related securities, with additional content drawn from old chapters 40 and 42 (now removed).
40	38	Company Share Option Plans	✓			Expanded with additional detail on qualifying criteria, early exercise and replacement options.
41	39	Enterprise Management Incentives (EMIs)	✓			Expanded with additional detail on qualifying criteria, early exercise and replacement options.
42	37	SAYE Option Schemes	✓			Expanded with additional detail on qualifying criteria, early exercise and replacement options.
43	36	Share Incentive Plans (SIPs)	✓			Expanded with additional detail on qualifying criteria.
-	40	Non-tax Advantaged Share Option Plans				Now removed. Content moved to Chapter 39
-	41	Employee Shareholder Shares				Now removed. No longer in syllabus.
-	42	Share Awards				Now removed. Content moved to Chapter 39

44	43	Restricted Securities	✓			Rewritten and expanded to provide more focus on legislation and on handling questions in the exam.
45	-	Convertible Securities and Other Common Share Plans	✓			New chapter focussing on convertible shares, deferred shares and partly paid shares, drawing on content from Chapter 46.
46	44	Other Tax Charges on Employment-Related Securities	✓			Formerly 'Other Employment-related Securities'. Rewritten to focus on ITEPA 2003, Pt 7, Chs 3A, 3B, 3D and 4 (notional payments). Now limited to notional payments.
-	45	Share Plans – Employer Obligations				Now removed and content moved to Chapter 39.
47	-	Employee Ownership Trusts	✓			New chapter based on expanded content from Chapter 14.
48	-	Introduction to Internationally Mobile Employees	✓			New chapter providing an overview of the key international issues.
49	46	Residence – The Statutory Residence Rules		✓		Restructured to tie in with Chapter 48.
50	47	Residence – The Split Year rules		✓		
51	48	The Non-UK Domiciled Employee	✓			Formerly 'Domicile'. Rewritten and expanded to draw together all non-UK domiciled related issues into one chapter.

-	49	Employment Income: Residence & Domicile				Removed and content incorporated into Chapter 51.
-	50	Overseas Workday Relief				Removed and content incorporated into Chapter 51.
52	54	Dual Contracts		✓		
53	51	Double Taxation Agreements	✓			Rewritten and expanded with more detail on interpreting a DTA and the short-term visitor exemption.
-	52	Short-Term Business Visitors				Removed and content incorporated into Chapter 53.
54	53	Tax Equalisation		✓		Minor changes to tie into Chapter 48.
55	-	Administrative Easements When Dealing With Internationally Mobile Employees	✓			New chapter drawing together the Appendix Agreements and s.690 directions. Inclusion of more detail.
56	55	Travel and Subsistence Expenses for Internationally Mobile Employees		✓		Formerly 'Home Leave & Employee Travel'. Inclusion of more detail.
57	56	International Aspects of NICs	✓			Rewritten to prioritise assignments commencing on or after 1 January 2021 and to include more detail.
58	57	International Pension Scheme Issues		✓		Formerly 'Cross- Border Pension Scheme Issues'. Inclusion of detail on the impact of a double taxation agreement.

59	58	Employment-Related Securities and Internationally Mobile Employees	✓			Formerly 'Employment-related Securities (International)'. Rewritten and expanded to provide more focus on handling questions in the exam.
60	59	Capital Gains Tax Issues for Internationally Mobile Employees		✓		
61	60	Senior Accounting Officer Responsibilities		✓		
62	61	National Minimum Wage		✓		
63	62	Apprenticeship Levy		✓		Inclusion of some minor additional detail around administration.
64	63	An Introduction to Anti-avoidance		✓		New section included on penalties for enablers of defeated tax avoidance.
65	64	Disclosure of Tax Avoidance Schemes			✓	
66	65	Follower Notices and Accelerated Payments			✓	
67	66	HMRC Powers			✓	