

## PERSONAL INCOME TAX – FA25 CHANGES GUIDE

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	Introduction to the UK tax system			✓	
2	2	Calculating the income tax liability			✓	
3	3	The taxation of interest			✓	
4	4	The taxation of dividend income			✓	
5	5	Other taxable income		✓		References to jointly owned FHL removed as FHL regime abolished from 6 April 2025.
6	6	Relief for married couples			✓	
7	7	Deductible payments			✓	
8	8	Tax relief on donations to charity			✓	
9	9	Tax reducers			✓	

10	10	Scottish taxpayers			✓	
11	11	An introduction to self-assessment		✓		<p>Examples of who may have to file a tax return updated</p> <p>Taxpayers wishing to file a paper return can now download and print a copy from the Gov.UK website.</p> <p>Clarification re taxpayers who might be sent simple assessments.</p>
12	12	Payment dates, interest and penalties			✓	
13	13	Self-assessment – further aspects			✓	
14	14	Introduction to property income		✓		<p>References to FHLs removed as regime abolished from 6 April 2025.</p> <p>Rent - a - Room relief and Property Allowance have been moved to Chapter 15</p>
15	15	Property income – further aspects	✓			FHL regime abolished from 6 April 2025. Transitional rules re capital allowances and losses added.
16	16	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.

17	17	Company car and fuel benefits		✓		4% supplement re diesel cars no longer examinable as most diesel company cars meet RDE2 standard.
18	18	Living accommodation – taxable benefits			✓	
19	19	Loans to employees and use of assets			✓	
20	20	Miscellaneous benefits and other points		✓		Exemptions for childcare schemes joined pre 4 October 2018 no longer examinable.
21	21	Expenses of employment			✓	
22	22	Introduction to PAYE		✓		<p>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.</p> <p>From 6 April 2027, all benefits apart from living accommodation and beneficial loans must be reported and taxed via payroll.</p>
23	23	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.

24	24	PAYE – Penalties and Interest			✓	
25	25	Class 1 National Insurance Contributions			✓	
26	26	Class 1 NICs and directors			✓	
27	27	Class 1A and 1B 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.
28	28	Termination payments			✓	
29	29	Employed or self-employed?	✓			Updated to take account of current HMRC position following recent cases.
30	30	Pension schemes		✓		FHL removed from the definition of net relevant earnings as regime abolished from 6 April 2025.
31	31	Miscellaneous provisions		✓		Introduction of digital reporting for HICBC.  Clarification of official rate of interest to apply when calculating POA charge for chattels.
32	32	The Accrued Income Scheme			✓	

33	33	Beneficiaries of deceased estates		✓		Estates with income up to £500 do not pay tax on that income as it arises.
34	34	The Enterprise Investment Scheme			✓	
35	35	Venture Capital Trusts			✓	
36	36	Introduction to share schemes			✓	
37	37	Share incentive plans			✓	
38	38	Non-tax advantaged share option schemes			✓	
39	39	Save As You Earn Share Option Schemes			✓	
40	40	Company Share Option Plans			✓	
41	41	Enterprise Management Incentives			✓	
42	42	Employment Related Securities - Restricted securities			✓	

43	43	Employment Related Securities - Other securities		✓		Clarification of interaction with restricted securities rules.
44	44	Residence – The Statutory Residence Rules			✓	
45	45	Residence – the ‘Split Year’ Rules			✓	
46	<i>n/a</i>	Taxation of Foreign Income: UK residents	✓			Brand new chapter
47	<i>n/a</i>	UK Residents: Relief for Overseas Tax	✓			Brand new chapter. Based on existing material but updated to take account of post April 2025 rules and FIG relief.
48	<i>n/a</i>	Taxation of Foreign Income: Non-UK residents	✓			Brand new chapter. Based on existing material but updated to take account of post April 2025 rules
49	<i>n/a</i>	Employment Income – Internationally Mobile Employees	✓			Brand new chapter
50	<i>n/a</i>	The Taxation of Remittances	✓			Brand new chapter
51	51	The Taxation of Remittances – Mixed Funds		✓		Simplification of remittances rules to focus on mixed funds.

52	n/a	Temporary Repatriation Facility	✓			Brand new chapter
53	52	Business investment relief		✓		Simplification of rules. Amendments to reflect the post 6 April 2025 position. Explanations of the interaction between the TRF and BIR.
54	n/a	Internationally Mobile Employees – PAYE Issues	✓			Brand new chapter. Based on previous material but focusing on PAYE only. Rewritten and with additions in relation to Overseas Workday Relief and short-term business visitor rules.
55	n/a	Internationally Mobile Employees – Securities Income	✓			Brand new chapter
56	n/a	Internationally Mobile Employees - Travel Expenses and Other Issues		✓		New chapter based on existing material to focus on travel and miscellaneous issues. Minor changes to travel expenses rules from April 2025.
57	55	Overseas Aspects of NIC		✓		Change of terminology used: 'Detached Workers' are now referred to as 'Posted Workers'.
58	57	Double Taxation Treaties			✓	

## CAPITAL GAINS TAX – FA25 CHANGES GUIDE

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	Introduction to capital gains tax		✓		<p>Change in rates of CGT from 30 October 2024 (10% to 18% and 20% to 24%)</p> <p>Separate rate for residential property abolished from 30 October 2024.</p> <p>Detail added re anti-forestalling provisions in respect of increase in rates of CGT.</p>
2	2	Calculation of capital gains			✓	
3	3	Business Asset Disposal Relief and Investors' relief		✓		<p>Change in rate of BADR from 10% to 14%.</p> <p>Furnished holiday lettings (FHL) regime abolished from 6 April 2025. Disposals of FHL properties from 6 April 2025 do not qualify for BADR.</p> <p>Detail added re anti-forestalling provisions in respect of increase in rates of CGT applying to gains eligible for BADR and investors' relief.</p> <p>Decrease in investors' relief lifetime limit.</p>
4	4	Relief for capital losses			✓	

5	5	Reporting of gains and payment of CGT			✓	
6	6	Part disposals			✓	
7	7	Sales of leases			✓	
8	8	Grants of leases			✓	
9	9	Grants of leases – advanced aspects			✓	
10	10	Chattels			✓	
11	11	Valuation, connected persons and inter spouse transfers			✓	
12	12	Shares and securities – matching rules			✓	
13	13	Bonus issues and rights issues			✓	
14	14	Scrip issues and sales of rights			✓	
15	15	Takeovers and reorganisations		✓		Detail added re anti- forestalling provisions in respect of elections to disapply share-for-share exchange rules.

16	16	Gilts and QCBs			✓	
17	17	Earn-outs and deferred consideration			✓	
18	18	Options and other intangible assets			✓	
19	19	CGT and employee share schemes			✓	
20	20	Rollover relief		✓		Following abolition of FHL regime from 6 April 2025, FHL are not a trade for the purposes of rollover relief
21	21	Rollover relief and depreciating assets			✓	
22	22	Rollover relief – further aspects			✓	
23	23	Gift relief		✓		Following abolition of FHL regime from 6 April 2025, FHL are not a trade for the purposes of gift relief
24	24	Gift relief – restrictions			✓	
25	25	Gift relief – further aspects and exchanges of assets		✓		References to FHL removed
26	26	EIS/SEIS reinvestment relief			✓	

27	27	Gains and Losses on EIS/SEIS/VCT shares			✓	
28	28	Private residence relief			✓	
29	29	PRR – further aspects			✓	
30	30	Assets lost or destroyed			✓	
31	31	Compensation for assets damaged			✓	
32	n/a	Foreign aspects of CGT - The FIG regime	✓			Brand new chapter.
33	n/a	Foreign Aspects of CGT: Remittances and Rebasing	✓			Brand new chapter.
34	n/a	Non Resident Capital Gains (NRCG)	✓			Changes to deal with the new FIG regime. Some existing material has been moved to a different chapter.
35	n/a	Foreign Aspects of CGT - Miscellaneous Rules	✓			Brand new chapter. Based on existing material but updated to take account of post April 2025 rules.
36	36	Double Tax Relief for CGT		✓		Minor changes as a result of the new FIG regime rules.
37	37	Purchase of own shares			✓	

38	38	Extracting profits from a company			✓	
39	39	Introduction to anti-avoidance		✓		New case law added
40	40	Transactions in securities			✓	
41	41	Transfer of assets abroad		✓		Minor changes as a result of the new FIG regime rules.
42	42	Transactions in UK land			✓	
43	43	Value shifting			✓	
44	44	Disclosure of tax avoidance schemes (DOTAS)			✓	
45	45	Follower notices and accelerated payment notices			✓	