

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	Relief for married couples			✓	
6	6	Deductible payments			✓	
7	7	Tax relief on donations to charity			✓	
8	8	Scottish taxpayers			✓	

9	9	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>
10	10	Payment dates, interest and penalties			✓	
11	11	Introduction to property income		✓		References to FHLs removed as regime abolished from 6 April 2025.
12	12	Property income – further aspects	✓			FHL regime abolished from 6 April 2025. Transitional rules re capital allowances and losses added.
13	13	Introduction to employment income and benefits			✓	
14	14	Company car and fuel benefits		✓		4% supplement re diesel cars no longer examinable as most diesel company cars meet RDE2 standard.
15	15	Living accommodation – taxable benefits			✓	
16	16	Loans to employees and use of assets			✓	

17	17	Miscellaneous benefits and other points		✓		Exemptions for childcare schemes joined pre 4 October 2018 no longer examinable.
18	18	Expenses of employment			✓	
19	19	Introduction to PAYE		✓		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.
20	20	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.
21	21	Class 1 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.
22	22	Class 1A and 1B National Insurance Contributions			✓	
23	23	Termination payments			✓	
24	24	Employed or self-employed?		✓		Updated to take account of current HMRC position following recent cases.
25	25	Pension schemes		✓		FHL removed from the definition of net relevant earnings as regime abolished from 6 April 2025.

26	26	Miscellaneous provisions		✓		Introduction of digital reporting for HICBC. Clarification of official rate of interest to apply when calculating POA charge for chattels.
27	27	The Enterprise Investment Scheme			✓	
28	28	Introduction to share schemes			✓	
29	29	Share incentive plans			✓	
30	30	Save As You Earn Share Option Schemes			✓	
31	31	Company Share Option Plans			✓	
32	32	Non-tax advantaged share option schemes			✓	
33	33	Enterprise Management Incentives			✓	
34	34	Residence – The Statutory Residence Rules			✓	

35	n/a	Taxation of Foreign Income	✓			Brand new chapter
36	n/a	UK Residents: Relief for Foreign Tax	✓			Brand new chapter. Based on existing material but updated to take account of post April 2025 rules and FIG relief.
37	n/a	Employment Income – Internationally Mobile Employees	✓			Brand new chapter
38	n/a	The Taxation of Remittances	✓			Brand new chapter
39	n/a	Temporary Repatriation Facility	✓			Brand new chapter
40	n/a	Business investment relief		✓		Simplification of rules. Amendments to reflect the post 6 April 2025 position. Explanations of the interaction between the TRF and BIR.
41	36	Introduction to capital gains tax		✓		Change in rates of CGT from 30 October 2024 (10% to 18% and 20% to 24%) Separate rate for residential property abolished from 30 October 2024.
42	37	Calculation of capital gains			✓	

43	38	Business Asset Disposal Relief and Investors' relief		✓		Change in rate of BADR from 10% to 14%. Furnished holiday lettings (FHL) regime abolished from 6 April 2025. Disposals of FHL properties from 6 April 2025 do not qualify for BADR.
44	39	Relief for capital losses			✓	
45	40	Reporting of gains and payment of CGT			✓	
46	41	Part disposals			✓	
47	42	Sales of leases			✓	
48	43	Grants of leases			✓	
49	44	Chattels			✓	
50	45	Connected persons and inter spouse transfers			✓	
51	46	Shares and securities – matching rules			✓	
52	47	Bonus issues and rights issues			✓	
53	48	Takeovers			✓	
54	49	Gilts and QCBs			✓	

55	50	Earn-outs and deferred consideration			✓	
56	51	EIS and SEIS reinvestment relief			✓	
57	52	Gains and Losses on EIS and SEIS shares			✓	
58	53	Private residence relief			✓	
59	54	PRR – further aspects			✓	
60	55	Assets lost or destroyed			✓	
61	56	Compensation for assets damaged			✓	
62	<i>n/a</i>	Foreign aspects of CGT - The FIG regime	✓			Brand new chapter.
63	<i>n/a</i>	Foreign Aspects of CGT – Remittances and Rebasing	✓			Brand new chapter.
64	57	Double Tax Relief for CGT		✓		Minor changes as a result of the new FIG regime rules.
65	58	Purchase of own shares		✓		Change in CGT rate.