

## CORPORATION TAX – FA19 CHANGES GUIDE

FA19 Ch	FA18 Ch	Topic	Major changes	Minor changes	No changes	Notes
1	1	Introduction to Corporation Tax			✓	
2	2	Computation of Corporation Tax		✓		Corporation tax rate for FY 2020 reduced to 17%.
3	3	Long Periods of Account			✓	
4	4	Corporation Tax Self-Assessment (CTSA)			✓	
5	5	Payment of Corporation Tax			✓	
6	6	Interest on Late Paid Tax and Repayments			✓	
7	7	CTSA Penalty Regime			✓	
8	8	Property Income			✓	
9	9	Loan Relationships			✓	
10	10	Loan Relationships – Connected Companies		✓		'Amortised cost' basis used to account for a loan relationship with an unconnected company where there is a qualifying link to one or more loan relationships between connected companies.

11	11	Relief for Trading Losses		✓		From 1 April 2019, a company cannot be allocated a share of the deductions allowance from a group of which it is an ultimate parent if it is also a member of another group.
12	12	Relief for Other Losses			✓	
13	13	Corporate Capital Gains			✓	
14	14	Substantial shareholding exemption			✓	
15	15	Intangible Fixed Assets		✓		New 6.5% p.a relief for amortisation of goodwill where acquired as part of business acquisition in which intellectual property also acquired.
16	16	Research and Development Expenditure		✓		Patent box rules updated for post BEPs changes.
17	17	Companies with Investment Business			✓	
18	18	The Principles of Group Relief		✓		From 1 April 2019, a company cannot be allocated a share of the deductions allowance from a group of which it is an ultimate parent if it is also a member of another group.
19	19	Group Relief – Further Aspects			✓	
20	20	Consortium Relief			✓	
21	21	Group Consortium Companies			✓	

22	22	Group Administration			✓	
23	23	Group Capital Gains		✓		From 6 April 2019, gains made by non-resident group companies from disposals of UK land and buildings used for the purposes of a trade are also eligible for group rollover relief.
24	24	Group Gains – Further Aspects		✓		IFA degrouping charge no longer arises where substantial shareholding exemption applies and transferee company leaves group on or after 7 November 2018.
25	25	Change in Ownership of a Company			✓	
26	26	Transfer of Trade		✓		New 6.5% p.a relief for amortisation of goodwill where acquired as part of business acquisition in which intellectual property also acquired.
27	27	Sale of Shares		✓		IFA degrouping charge no longer arises where substantial shareholding exemption applies and transferee company leaves group on or after 7 November 2018.
28	28	Close Company Definition			✓	
29	29	Close Company Implications			✓	
30	30	Close Company Implications – Further Aspects			✓	

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31	31	Accounting for Income Tax			✓	
32	32	Overseas Matters for Companies		✓		Non-resident companies charged to corporation tax on gains from disposals of interests in UK land and buildings from 6 April 2019.
33	33	Transfer Pricing			✓	
34	34	Purchase of Own Shares			✓	

### OTHER TAXES & ACCOUNTING – FA19 CHANGES GUIDE

FA19 Ch	FA18 Ch	Topic	Major changes	Minor changes	No changes	Notes
<b><u>BUSINESS TAX</u></b>						
1	1	Incorporation		✓		References to SBA added. 'Look through' available when determining whether ER available on sale of shares following incorporation. Change re the CT treatment of goodwill on incorporation.
2	3	Limited Liability Partnerships			✓	
3	3	Mixed Partnerships			✓	
<b><u>PERSONAL INCOME TAX</u></b>						
4	4	Termination Payments			✓	
5	5	Employed or Self Employed?			✓	
6	6	Personal Service Companies			✓	
<b><u>CAPITAL GAINS TAX</u></b>						
7	7	Connected Persons			✓	
8	8	Takeovers			✓	
9	9	Gilts and QCBs			✓	

<b>VALUE ADDED TAX</b>						
10	10	Bad Debt Relief			✓	
11	11	The Annual and Cash Accounting Schemes		✓		Small revision to rules for leaving the cash accounting scheme
12	12	The Flat-rate Scheme			✓	
<b>ACCOUNTING</b>						
13	13	Further Fixed Assets			✓	
14	14	Company Financial Statements and Associated Matters			✓	
15	15	Tax in Company Financial Statements			✓	

### REQUIRED KNOWLEDGE FROM PAPER 2 – FA19 CHANGES GUIDE

FA19 Ch	FA18 Ch	Topic	Major changes	Minor changes	No changes	Notes
1	1	Introduction to Business Entities			✓	
2	2	The Basics of Calculating Income Tax		✓		Updated for changes in tax allowances and income thresholds.
3	3	The Basics of Accounting			✓	
4	4	Adjustment of Profit - General Principles			✓	
5	5	Common Adjustments			✓	
6	6	Current Year Basis			✓	
7	7	Capital Allowances - Definitions			✓	
8	8	Capital Allowances - Basic Computations			✓	

9	9	Capital Allowances - First Year Allowances and the Annual Investment Allowance		✓		Increase in AIA to £1,000,000 from 1 January 2019.
10	10	Capital Allowances - Special Rate Pool		✓		Rate of WDA in Special Rate Pool reduced to 6% from 6 April 2019 (1 April 2019 for corporation tax).
11	11	Capital Allowances - Cars and Other Aspects		✓		Rate of WDA in Special Rate Pool reduced to 6% from 6 April 2019 (1 April 2019 for corporation tax).  Detail on new Structures and Buildings Allowance added.
12	12	Sole Traders and Self Assessment			✓	
13	13	Sole Traders - Payment Dates and Penalties			✓	
14	14	Trading Losses for Sole Traders			✓	
15	15	Introduction to Partnerships			✓	
16	16	Partnership Changes			✓	
17	17	Partnership Losses			✓	



18	18	Classes 2 and 4 National Insurance Contributions		✓		Updated for change in Class 2 NIC weekly amount and for change in Class 4 NIC profit limits.
19	19	Introduction to the UK Tax System			✓	
20	20	Calculating the Income Tax Liability		✓		Updated for changes in tax allowances and income thresholds
21	21	The Taxation of Interest			✓	
22	22	The Taxation of Dividend Income			✓	
23	23	Class 1 and Class 1A National Insurance Contributions		✓		Updated for changes to NIC thresholds
24	24	Introduction to Capital Gains Tax		✓		Updated for change in annual exempt amount
25	25	Calculation of Capital Gains			✓	

26	26	Relief for Capital Losses		✓		Updated to reflect changes in wording following legislation re-write in relation to offset of capital losses brought forward and the interaction with the annual exempt amount
27	27	Chattels			✓	
28	28	Entrepreneurs' relief	✓			Change to the definition of a personal company for entrepreneurs' relief (ER) purposes.  Increase from 1 to 2 years for length of time various conditions need to be met in order to qualify for ER.  New rules for relief where a company ceases to be an individual's personal company for ER purposes.
29	29	Rollover relief			✓	
30	30	Rollover relief & depreciating assets			✓	
31	31	Rollover relief - further aspects			✓	
32	32	Gift relief			✓	
33	33	Gift relief - restrictions			✓	
34	34	EIS and SEIS reinvestment relief			✓	

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35	35	VAT General Principles			✓	
36	36	Registration			✓	
37	37	Definition of Supplies			✓	
38	38	Schedule 8 VATA 1994 – Zero-Rating			✓	
39	39	Schedule 9 VATA 1994- Exemptions			✓	
40	40	Value of the Supply			✓	
41	41	Time of Supply			✓	
42	42	Input Tax - When to Recover			✓	
43	43	VAT Records and Returns			✓	
44	44	International Aspects – Services			✓	