

BUSINESS TAX – FA21 CHANGES GUIDE

FA21 Ch	FA20 Ch	Topic	Major changes	Minor changes	No changes	Notes
1	1	Introduction to Business Entities			✓	
2	2	Calculating the Income Tax Liability			✓	
3	3	Trading Income & the Badges of Trade			✓	
4	4	The Basics of Accounting		✓		Added in a section on the disposals of fixed assets.
5	5	Adjustment of Profit – General Principles			✓	
6	6	Common Adjustments			✓	
7	7	Current Year Basis & Opening Year Rules			✓	
8	8	Overlap Relief & Closing Year Rules			✓	

9	9	Change of Accounting Date			✓	
10	10	Capital Allowances – Definitions			✓	
11	11	Capital Allowances – Basic Computations		✓		Added a section on the capital gains implications of plant & machinery.
12	12	Capital Allowances – First Year Allowances & the AIA			✓	
13	13	Capital Allowances – Further Computations			✓	
14	14	Capital Allowances – Cars & Other Assets	✓			Section on Structures and Buildings Allowances moved to new separate chapter.
15	n/a	Structures and Buildings Allowance	✓			New chapter, content moved from earlier chapter.
16	15	Losses – Continuous Trades		✓		New section on temporary three year carry back.
17	16	Losses – Opening & Closing Year Rules			✓	

18	17	Introduction to Partnerships			✓	
19	18	Partnership Changes			✓	
20	19	Partnership Admissions & Retirements			✓	
21	20	Partnership Losses			✓	
22	21	Simplification Measures			✓	
23	22	Farmers			✓	

CT & VAT – FA21 CHANGES GUIDE

FA21 Ch	FA20 Ch	Topic	Major changes	Minor changes	No changes	Notes
1	1	Introduction to Corporation Tax		✓		Changes to reflect enhanced FYA.
2	2	Computation of Corporation Tax			✓	
3	3	Long Periods of Account		✓		Changes to reflect enhanced FYA.
4	4	Corporation Tax Self-Assessment (CTSA)			✓	
5	5	Payment of Corporation Tax		✓		Removed references to pre 1 April 2019.
6	6	Interest on Late Paid Corporation Tax & Repayments		✓		Included an illustration covering interest on instalments
7	7	CTSA Penalty Regime			✓	
8	8	Property Income			✓	

9	9	Loan Relationships			✓	
10	12	Corporate Capital Gains		✓		<p>The calculation of gains on the disposal of shares is covered in a separate chapter.</p> <p>The corporate capital loss restriction is covered in the chapter 'Relief for Other Losses'.</p>
11	n/a	Corporate Capital Gains - Shares	✓			New chapter created to bring all the material on capital gains on shares together.
12	10	Relief for Trading Losses	✓			<p>Removal of pre-1 April 2017 losses throughout losses chapters reflecting syllabus changes. Chapter rewrite.</p> <p>Temporary extended carry back loss relief for accounting periods ending between 1.4.20 and 31.3.22.</p>
13	11	Relief for Other Losses	✓			Removal of pre-1 April 2017 losses throughout losses chapters reflecting syllabus changes. Chapter rewrite.
14	13	VAT General Principles			✓	
15	14	Registration			✓	
16	15	Definition of Supplies			✓	

17	16	Schedule 8 VATA 1994 – Zero-Rating			✓	
18	17	Schedule 9 VATA 1994 – Exemptions			✓	
19	18	Value of the Supply			✓	
20	19	Time of the Supply			✓	
21	20	Input Tax – When to Recover			✓	
22	21	VAT Records & Returns			✓	
23	22	Place of Supply		✓		Due to Brexit, there are a few changes in this chapter
24	23	Tax in Company Financial Statements	✓			All the accounting rules relevant for the exam are now covered in this chapter itself (rather than making reference to the ATT's Accounting Text)

IT & CGT – FA21 CHANGES GUIDE

All chapters have been updated for 2021/22 thresholds, rates and allowances.

FA21 Ch	FA20 Ch	Topic	Major changes	Minor changes	No changes	Notes
1	1	An introduction to self-assessment			✓	
2	2	Payment dates, interest and penalties			✓	
3	3	Self-assessment – further aspects			✓	
4	4	Class 1 national insurance contributions			✓	
5	5	Class 1A and 1B national insurance contributions			✓	
6	6	Classes 2 and 4 national insurance			✓	
7	7	Employed or self-employed			✓	

8	8	Introduction to capital gains tax			✓	
9	9	Calculation of capital gains			✓	
10	10	Business asset disposal relief and investors' relief	✓			A new section on investors' relief is included this year because for FA2021 this relief is examinable in ATT Paper 2.
11	11	Relief for capital losses			✓	
12	12	Part disposals			✓	
13	13	Sales of leases			✓	
14	14	Grants of leases			✓	
15	15	Chattels			✓	
16	16	Connected persons and inter spouse transfers			✓	
17	17	Shares & securities - matching rules			✓	

18	<i>n/a</i>	Bonus issues and rights issues	✓			This chapter has been included for the first time this year.
19	18	Rollover relief			✓	
20	19	Rollover relief & depreciating assets			✓	
21	20	Rollover relief – further aspects			✓	
22	21	Gift relief			✓	
23	22	Gift relief - restrictions			✓	
24	23	EIS and SEIS reinvestment relief			✓	
25	24	Partnership capital gains			✓	