

INHERITANCE TAX – FA20 CHANGES GUIDE

FA20 Ch	FA19 Ch	Topic	Major changes	Minor changes	No changes	Notes
1	1	Introduction to IHT			✓	
2	2	Chargeable transfers			✓	
3	3	Chargeable lifetime transfers – calculation of tax			✓	
4	4	Lifetime transfers – 'grossing-up'			✓	
5	5	Close companies			✓	
6	6	Additional tax on death			✓	
7	7	Business Property Relief			✓	
8	8	Business Property Relief – further aspects			✓	
9	9	Agricultural Property Relief			✓	
10	10	APR & BPR on death			✓	
11	11	'Fall in value' relief			✓	
12	12	The death estate			✓	

13	13	Nil Rate Bands		✓		Amended for increase in RNRB
14	14	Restrictions on the Deduction of Debts			✓	
15	15	IHT valuation rules			✓	
16	16	Quick Succession Relief			✓	
17	17	Post mortem reliefs			✓	
18	18	Gifts with reservation of benefit			✓	
19	19	Double charges relief			✓	
20	20	Pre-owned Assets			✓	
21	21	Domicile & double tax relief			✓	
22	22	Deemed domicile			✓	
23	23	IHT on UK Residential Property			✓	
24	24	Deeds of variation			✓	
25	25	Grossing-up of legacies			✓	
26	26	Double Grossing			✓	

27	27	Section 39A IHTA 1984			✓	
28	28	The 36% lower rate – advanced aspects			✓	
29	29	IHT administration		✓		Penalties for late returns amended since harmonised regime does not yet apply to IHT
30	30	Payment of tax & the instalment option			✓	
31	31	Heritage Property			✓	
32	32	Woodlands			✓	
33	33	IHT Avoidance			✓	
34	34	IHT Planning			✓	

TRUSTS AND ESTATES – FA20 CHANGES GUIDE

FA20 Ch	FA19 Ch	Topic	Major changes	Minor changes	No changes	Notes
1	1	Introduction to trusts			✓	
2	2	Income tax on interest in possession trusts			✓	
3	3	Income tax on discretionary trusts		✓		Minor update for interest restrictions in 2020/21
4	4	Income tax on 'mixed' trusts			✓	
5	5	Exit charges on relevant property trusts			✓	
6	6	Inheritance tax – principal charges			✓	
7	7	Relevant property trusts – added property			✓	
8	8	Relevant property trusts – further aspects			✓	
9	9	Accumulation & maintenance trusts			✓	
10	10	Other trusts for children			✓	

11	11	Interest in possession trusts – IHT issues			✓	
12	12	Interest in possession trusts – further aspects			✓	
13	13	Trusts for vulnerable beneficiaries & disabled persons			✓	
14	14	Annuities			✓	
15	15	Capital gains & UK trusts		✓		Change in annual exempt amount. References to entrepreneurs' relief amended to business asset disposal relief and limit reduced. Amended for changes to PPR relief. Minor expansion of section re CGT relief for IHT paid.
16	16	CGT & UK trusts – further aspects			✓	
17	17	Trust income taxed on the settlor			✓	
18	18	Businesses & the settlements legislation			✓	
19	19	Settlor interested trusts – CGT & IHT			✓	
20	20	Overseas trusts – Income tax issues			✓	

21	21	Overseas trusts – CGT & IHT issues		✓		Addition of FA20 rule re additions to excluded property trusts
22	22	Overseas trusts – further aspects			✓	
23	23	Overseas trusts – Non-dom issues for IT & CGT			✓	
24	24	Bare trusts			✓	
25	25	Estates in administration			✓	
26	26	Beneficiaries of deceased estates			✓	
27	<i>n/a</i>	Tax Planning using Trusts	✓			New chapter for tax planning using trusts.

IT & CGT – FA20 CHANGES GUIDE

All chapters have been updated for change in rates and allowances for the 2020/21 tax year.

FA20 Ch	FA19 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	An introduction to self-assessment			✓	
4	4	Payment dates, interest & penalties			✓	
5	5	Self-assessment – further aspects		✓		Paragraph added to section on discovery assessments regarding claims
6	6	Introduction to capital gains tax			✓	
7	7	Calculation of capital gains			✓	
8	8	Business asset disposal relief & Investors' relief	✓			Updated for change in limit and change in name of relief from "entrepreneurs' relief" to "business asset disposal relief"

9	9	Relief for capital losses			✓	
10	<i>n/a</i>	Reporting of Gains & Payment of CGT	✓			New for FA20
11	10	Part disposals			✓	
12	11	Sales of leases			✓	
13	12	Grants of leases			✓	
14	13	Grants of leases – advanced aspects			✓	
15	14	Chattels			✓	
16	15	Valuation, Connected persons & Inter Spouse Transfers			✓	
17	16	Shares & securities: Matching rules			✓	
18	17	Bonus issues & rights issues			✓	
19	18	Scrip issues & sales of rights			✓	
20	19	Takeovers & reorganisations			✓	

21	20	Gilts & QCBs			✓	
22	21	Earn-outs & deferred consideration			✓	
23	22	Gift relief			✓	
24	23	Gift relief - restrictions			✓	
25	24	Gift relief – further aspects & exchanges of assets			✓	
26	25	Principal private residence relief		✓		Updated for changes to last 9 months exemption and miscellaneous small changes
27	26	PPR relief – further aspects	✓			Updated for changes to lettings relief and miscellaneous small changes
28	27	Assets lost or destroyed			✓	
29	28	Compensation for assets damaged			✓	