

PERSONAL INCOME TAX – FA19 CHANGES GUIDE

Note that all chapters have been updated for 2019/20 thresholds, rates and allowances and these changes are not noted in the grids below.

FA19 Ch	FA18 Ch	Topic	Major changes	Minor changes	No changes	Notes
1	1	Introduction to the UK tax system		✓		Reference to Welsh taxpayers added. Note that the taxation of Welsh taxpayers is not in the CTA syllabus.
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 reducers			✓	
8	8	Scottish taxpayers			✓	

9	9	An introduction to self assessment			✓	
10	10	Payment dates, interest & penalties			✓	
11	11	Self assessment - further aspects		✓		Amends to time limits for assessments where loss of tax involves offshore matter/transfer.
12	12	Introduction to employment income & benefits			✓	
13	13	Company car & fuel benefits			✓	
14	14	Living accommodation: taxable benefits			✓	
15	15	Loans to employees & use of assets			✓	
16	16	Miscellaneous benefits		✓		Provision of workplace charging facilities for employee's own car now an exempt benefit.
17	17	Expenses of employment			✓	

18	18	Introduction to PAYE			✓	
19	19	Operation of the PAYE System			✓	
20	20	Class 1 National Insurance Contributions			✓	
21	21	Class 1 National Insurance Contributions and directors			✓	
22	22	Class 1A & 1B National Insurance			✓	
23	23	Termination payments			✓	
24	24	Employed or self employed?			✓	
25	25	Personal service companies			✓	
26	<i>n/a</i>	Employment Intermediaries and the Public Sector	✓			New chapter as topic added to syllabus for 2020

27	26	Pension schemes			✓	
28	27	Pension schemes - further aspects			✓	
29	28	Introduction to share schemes			✓	
30	29	Share Incentive Plans (SIPs)			✓	
31	30	Company Share Option Plans			✓	
32	31	Non-tax advantaged share option schemes			✓	
33	32	Enterprise Management Incentives (EMIs)			✓	

CAPITAL GAINS TAX – FA19 CHANGES GUIDE

Throughout the manual, legislative references have been amended to take account of the FA 2019 re-write of Part 1 of TCGA 1992. All chapters have been updated for changes in the rate of personal allowances and tax bands.

FA19 Ch	FA18 Ch	Topic	Major changes	Minor changes	No changes	Notes
1	1	Introduction to capital gains tax		✓		Reference to payments on account in respect of disposals of UK land.
2	2	Calculation of capital gains			✓	
3	3	Entrepreneurs' relief and Investors' 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. Expansion of detail in respect of investors' relief (IR).
4	4	Valuation, Connected persons & Inter Spouse Transfers			✓	
5	5	CGT and Employee Share Schemes		✓		Minor amends reflecting changes to conditions for ER.
6	6	Rollover relief			✓	

7	7	Rollover relief & depreciating assets			✓	
8	8	Rollover relief - further aspects			✓	
9	9	Gift relief			✓	
10	10	Gift relief - restrictions		✓		Minor addition re IR.
11	11	Gift relief - further aspects and exchanges of assets			✓	
12	12	Partnership Capital Gains - basic principles		✓		Section added re connected persons.
13	13	Partnership Capital Gains - further aspects			✓	
14	14	Partnership Capital Gains - asset revaluations			✓	
15	15	Inheritance Tax			✓	
16	16	An Introduction to Anti-Avoidance			✓	

BUSINESS TAX – FA19 CHANGES GUIDE

FA19 Ch	FA18 Ch	Topic	Major changes	Minor changes	No changes	Notes
1	1	Trading Income and the Badges of Trade			✓	
2	2	Adjustment of Profit - General Principles - UnInc			✓	
3	3	Common Adjustments - UnInc			✓	
4	4	Stock - Adjustments - UnInc			✓	
5	5	Current Year Basis and Opening Year Rules			✓	
6	6	Overlap Relief and Closing Year Rules			✓	
7	7	Change of Accounting Date			✓	
8	8	Capital Allowances - Definitions			✓	
9	9	Capital Allowances - Basic Computations			✓	
10	10	Capital Allowances - First Year Allowances and the AIA	✓			Increase in AIA to £1,000,000 from 1 January 2019. Inclusion of rules for accounting periods straddling change in rate of AIA.

11	11	Capital Allowances - Further Computations		✓		Rate of WDA in Special Rate Pool reduced to 6% from 6 April 2019 (1 April 2019 for corporation tax).
12	12	Capital Allowances - Cars and Other Assets	✓			Rate of WDA in Special Rate Pool reduced to 6% from 6 April 2019 (1 April 2019 for corporation tax). New Structures and Buildings Allowance.
13	13	Losses - Continuous Trades			✓	
14	14	Losses - Opening and Closing Year Rules			✓	
15	15	Introduction to Partnerships			✓	
16	16	Partnership Changes			✓	
17	17	Partnership Admissions and Retirements			✓	
18	18	Partnership Losses			✓	
19	19	Limited Liability Partnerships			✓	
20	20	Mixed Partnerships			✓	
21	21	Classes 2 and 4 National Insurance		✓		Updated for change in thresholds and rates.
22	22	Simplification measures			✓	

23	23	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.
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CORPORATION TAX – FA19 CHANGES GUIDE

FA19 Ch	FA18 Ch	Topic	Major changes	Minor changes	No changes	Notes
1	1	Introduction to Corporation Tax		✓		Non-resident companies charged to corporation tax on gains from disposals of interests in UK land and buildings from 6 April 2019.
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	Loan Relationships			✓	
9	9	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. 100% FYAs on environmentally friendly/energy saving equipment abolished from 31.3.20.

10	10	Relief for Other Losses			✓	
11	11	Corporate Capital Gains			✓	
12	12	Intangible Fixed Assets		✓		New 6.5% pa relief for amortisation of goodwill where acquired as part of business acquisition in which intellectual property also acquired.
13	13	Research and Development Expenditure			✓	Large company R&D rules are now excluded from the syllabus so have been removed from this chapter.
14	14	Companies with Investment Business			✓	
15	15	Change in Ownership of a Company			✓	
16	16	Transfer of Trade		✓		New 6.5% pa relief for amortisation of goodwill where acquired as part of business acquisition in which intellectual property also acquired.
17	17	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.
18	18	Close Company Definition			✓	
19	19	Close Company Implications			✓	

20	20	Close Company Implications – Further Aspects			✓	
21	21	Accounting for Income Tax			✓	
22	22	Tax Law and Accounting Practice			✓	
23	23	Tax and Provisions			✓	
24	24	Purchase of Own Shares			✓	
25	25	Administration and Liquidation			✓	
26	26	Informal Winding Up			✓	
27	27	Distributions			✓	
28	28	Corporation Tax Deductions for Share Schemes			✓	
29	29	Extracting Profits from a Company			✓	