

AW FOR APS IND – FA19 CHANGES GUIDE

BUSINESS TAX

Note that all chapters have been updated for 2019/20 thresholds, rates and allowances.

FA19 Ch	FA18 Ch	Topic	Major changes	Minor changes	No changes	Notes
1	1	Adjustment of Profit - General Principles			✓	
2	2	Common Adjustments			✓	
3	3	Current Year Basis and Opening Year Rules			✓	
4	4	Overlap Relief and Closing Year Rules			✓	
5	5	Change of Accounting Date			✓	
6	6	Losses - Continuous Trades			✓	

7	7	Losses - Opening and Closing Year Rules			✓	
8	8	Classes 2 and 4 National Insurance			✓	
9	9	Introduction to Partnerships			✓	
10	10	Partnership Changes			✓	
11	11	Partnership Admissions and Retirements			✓	
12	12	Partnership Losses			✓	
13	13	Limited Liability Partnerships			✓	
14	14	Partnership Capital Gains - basic principles			✓	

15	15	Partnership Capital Gains - further aspects			✓	
16	16	Partnership Capital Gains - asset revaluations			✓	

IHT, TRUSTS AND ESTATES

FA19 Ch	FA18 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	Additional tax on death			✓	
6	6	Business Property Relief			✓	
7	7	Agricultural Property Relief		✓		More detail and an extra illustration on businesses eligible for both APR and BPR. Extra points on activities not qualifying for APR.
8	8	APR & BPR on death			✓	
9	9	“Fall in value” relief			✓	
10	10	The death estate			✓	
11	11	Nil Rate Bands			✓	
12	12	IHT valuation rules			✓	
13	13	Quick Succession Relief			✓	

14	14	Gifts with reservation of benefit			✓	
15	15	Pre-owned Assets			✓	
16	16	Domicile & double tax relief			✓	
17	17	Deemed domicile			✓	
18	18	IHT administration			✓	
19	19	Payment of tax & the instalment option			✓	
20	20	Introduction to trusts		✓		New paragraph on the Trust Registration Service.
21	21	Income tax on interest in possession trusts			✓	
22	22	Income tax on discretionary trusts			✓	
23	23	Exit charges on relevant property trusts			✓	
24	24	Inheritance tax - principal charges			✓	
25	25	Other trusts for children			✓	
26	26	Interest in possession trusts – IHT issues			✓	

27	27	Interest in possession trusts – further aspects			✓	
28	28	Trust income taxed on the settlor			✓	
29	29	Estates in administration			✓	
30	30	Beneficiaries of deceased estates			✓	

STAMP TAXES

FA19 Ch	FA18 Ch	Topic	Major changes	Minor changes	No changes	Notes
1	1	Stamp duty on shares		✓		<p>New SI enacted in March 2019 allowing HMRC the use of a machine to stamp documents.</p> <p>A transfer of a hybrid capital instrument (in s.475C CTA 2009) is exempt from SD.</p> <p>Clarification that purchases of shares in SIPs (eg partnership or dividend shares) are exempt from SD.</p> <p>A targeted market value rule was introduced for listed securities transferred to connected companies from 29 October 2018. The purpose was to simplify stamp taxes on shares and prevent contrived arrangements being used to avoid tax. The tax is charged on the higher of the actual consideration and the market value of the securities.</p>

2	2	Stamp duty land tax	✓			<p>Inclusion of the four conditions to be met before the 3% additional rates are due on the purchase of a residential property.</p> <p>Expansion on the exclusions from the additional 3% rates on the purchases of residential property.</p> <p>Inclusion of 'granny flats' and the 3% additional rates and MDR.</p> <p>Shared ownership schemes whereby the person pays the SDLT in instalments can benefit from the first-time buyers' relief.</p> <p>Expanded section on charities relief and added that if a charity buys a property with another party as tenants in common, relief is available for the charitable element.</p> <p>More detail provided on consideration and when works carried out are included or excluded.</p> <p>Sequence Care Group case added concerning the 'relievable trade' exclusion in the legislation for the 15% anti avoidance rate for dwellings.</p>
3	3	Stamp duty land tax - administration		✓		<p>Time limit for filing return and paying tax is reduced from 30 days to 14 days.</p>

OTHER TOPICS

FA19 Ch	FA18 Ch	Topic	Major changes	Minor changes	No changes	Notes
1	1	Annual Tax on Enveloped Dwellings	✓			CGT on ATED-related gains abolished from 2019/20.
2	2	Personal service companies			✓	
3	3	Employment Intermediaries and the Public Sector			✓	