

## AW FOR APS TOLC – FA19 CHANGES GUIDE

### INCOME TAX & NIC

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	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 dividend income			✓	
4	4	Relief for married couples			✓	
5	5	An introduction to self assessment			✓	
6	6	Payment dates, interest & penalties		✓		Reference to CGT payments in respect of disposal of UK land.
7	7	Introduction to employment income & benefits			✓	
8	8	Company car & fuel benefits			✓	

9	9	Living accommodation: taxable benefits			✓	
10	10	Loans to employees & use of assets			✓	
11	11	Miscellaneous benefits		✓		Provision of workplace charging facilities for employee's own car now an exempt benefit.
12	12	Expenses of employment			✓	
13	13	Introduction to PAYE			✓	
14	14	Operation of the PAYE System			✓	
15	15	Class 1 National Insurance Contributions			✓	
16	16	Class 1A & 1B National Insurance			✓	
17	17	Apprenticeship Levy			✓	
18	18	Classes 2 and 4 National Insurance			✓	
19	19	Termination payments			✓	

20	20	Employed or self employed?			✓	
21	21	Personal service companies			✓	
22	<i>n/a</i>	Employment Intermediaries and the Public Sector			✓	Added to the syllabus for the 2020 exams
23	22	Pension schemes			✓	
24	23	The Enterprise Investment Scheme			✓	
25	24	Venture Capital Trusts			✓	
26	25	Introduction to share schemes			✓	
27	26	Share Incentive Plans (SIPs)			✓	
28	27	Savings Related Share Option Schemes			✓	
29	28	Company Share Option Plans			✓	
30	29	Non-tax advantaged share option schemes			✓	

31	30	Enterprise Management Incentives (EMIs)			✓	
32	31	Restricted securities - general principles			✓	
33	32	Residence – The Statutory Residence Rules			✓	
34	33	Domicile			✓	
35	34	Deemed domicile			✓	
36	35	Taxation of foreign income - general principles			✓	
37	36	The remittance basis			✓	
38	37	The remittance basis charge			✓	
39	38	Double Tax Relief			✓	
40	39	Overseas aspects of employment income			✓	
41	40	Construction Industry Deduction Scheme			✓	

## CGT &amp; IHT

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	Options and other intangible assets			✓	
5	5	Gift relief			✓	
6	6	Gift relief - restrictions		✓		Minor addition re IR.
7	7	Gains and Losses on EIS and VCT shares			✓	
8	8	Principal private residence relief			✓	

9	9	PPR relief - further aspects			✓	
10	<i>n/a</i>	Foreign aspects of CGT			✓	Foreign aspects added to syllabus for the 2020 exams
11	<i>n/a</i>	Foreign aspects - special rules	✓			Extension to non-resident disposals charged to UK CGT from 6.4.19.
12	10	Annual Tax on Enveloped Dwellings	✓			CGT on ATED-related gains abolished from 2019/20.
13	11	Transactions in Securities			✓	
14	12	Basic Principles of IHT			✓	

**CORPORATION TAX**

<b>FA19 Ch</b>	<b>FA18 Ch</b>	<b>Topic</b>	<b>Major changes</b>	<b>Minor changes</b>	<b>No changes</b>	<b>Notes</b>
1	1	Close Company Definition			✓	
2	2	Close Company Implications	✓			Section added re apportioning gains to participators
3	n/a	R&D for SMEs			✓	R&D for SMEs is no longer in AT TOMC syllabus so now need this chapter here

## VAT & STAMP TAXES

FA19 Ch	FA18 Ch	Topic	Major changes	Minor changes	No changes	Notes
1	1	VAT General Principles		✓		
2	2	Registration			✓	
3	3	Definition of Supplies			✓	
4	4	Liability of the Supply	✓			From 1 October 2019 certain types of energy saving materials are no longer reduced-rated and only supplies to qualifying customers will come within the scope of the reduced-rate
5	5	Schedule 8 VATA 1994 – Zero-Rating		✓		The reference to the pre-2012 treatment of 'hot food' has been removed
6	6	Schedule 9 VATA 1994-Exemptions		✓		Added brief information on personal contract purchases (PCP) and the change in VAT rules
7	7	Self-Supplies			✓	
8	8	Value of the Supply			✓	
9	9	Time of Supply		✓		The rules on forfeited deposits have changed from 1 March 2019 and details on these changes have been added
10	10	Input Tax - When to Recover		✓		Updated advisory fuel rates for latest figures and the rate for electric cars has been added
11	11	Partial Exemption			✓	

12	12	VAT Records and Returns	✓			Updated with details on the 'Making Tax Digital' (MTD) provisions
13	13	Accounting for VAT		✓		Small revision to rules for leaving the cash accounting scheme
14	14	Bad Debt Relief			✓	
15	15	HMRC Powers, Appeals and Assessments			✓	
16	16	Penalties for Incorrect Returns			✓	
17	17	Penalties for Failure to Notify			✓	
18	18	Default Surcharge		✓		Minor change about defaults that apply to small businesses
19	19	International Aspects - Goods			✓	
20	20	International Aspects – Services		✓		Updated MOSS with the changes effective from 1 Jan 19 aimed to reduce the impact on small EU businesses (£8,818 threshold before needing to register for MOSS)
21	21	Land and Buildings - Zero and Reduced-Rating			✓	

22	22	Land and Buildings - Exemption and Standard-Rating	✓			<p>Added paragraph regarding HMRC Brief 6/18 and VAT on services provided by a management company to a landlord</p> <p>A new section has been added on the domestic reverse charge for certain building and construction services from 1 October 2020</p>
23	23	Land and Buildings - Option to Tax			✓	
24	24	Capital Goods Scheme			✓	
25	25	Transfer of a Going Concern			✓	
26	26	The Flat-Rate Scheme			✓	
27	27	Second-hand Goods Margin Scheme			✓	
28	28	Groups			✓	
29	29	Agency			✓	

30	30	Stamp duty reserve tax		✓		<p>A transfer of a hybrid capital instrument (in s.475C CTA 2009) is exempt from SDRT.</p> <p>Clarification that purchases of shares in SIPs (eg partnership or dividend shares) are exempt from SDRT.</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>
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