

AW FOR APS VAT – FA19 CHANGES GUIDE

PERSONAL 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	Relief for married couples			✓	
4	4	Deductible payments			✓	
5	5	Tax relief on donations to charity			✓	
6	6	Scottish taxpayers			✓	
7	7	An introduction to self assessment			✓	
8	8	Payment dates, interest & penalties		✓		Reference to CGT payments in respect of disposal of UK land.

9	9	Introduction to property income			✓	
10	10	Property income: further aspects			✓	
11	11	Introduction to employment income & benefits			✓	
12	12	Company car & fuel benefits			✓	
13	13	Living accommodation: taxable benefits			✓	
14	14	Loans to employees & use of assets			✓	
15	15	Miscellaneous benefits		✓		Provision of workplace charging facilities for employee's own car now an exempt benefit.
16	16	Expenses of employment			✓	
17	17	Introduction to PAYE			✓	
18	18	Operation of the PAYE System			✓	

19	19	Class 1 National Insurance Contributions			✓	
20	20	Class 1A & 1B National Insurance			✓	
21	21	Classes 2 and 4 National Insurance			✓	
22	22	Termination payments			✓	
23	23	Employed or self employed?			✓	
24	24	Personal service companies			✓	
25	<i>n/a</i>	Employment Intermediaries and the Public Sector			✓	Added to the syllabus for the 2020 exams
26	25	Construction Industry Deduction Scheme			✓	

CAPITAL GAINS TAX

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	✓			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.
4	4	Relief for capital losses		✓		Updated to reflect changes in wording of legislation following FA 2019 re-write of Part 1 TCGA 1992 re offset of capital losses brought forward (or carried back) and the interaction with the AEA.
5	5	Part disposals			✓	
6	6	Sales of leases			✓	
7	7	Grants of leases			✓	
8	8	Chattels			✓	

9	9	Connected person & Inter Spouse Transfers			✓	
10	10	Shares & securities: Matching rules			✓	
11	11	Bonus issues & rights issues			✓	
12	12	Takeovers and reorganisations			✓	
13	13	Gilts & QCBs			✓	
14	14	Earn-outs & deferred consideration			✓	
15	15	Options			✓	
16	16	Rollover relief			✓	
17	17	Rollover relief & depreciating assets			✓	
18	18	Gift relief			✓	
19	19	Gift relief - restrictions			✓	
20	20	EIS and SEIS reinvestment relief			✓	
21	21	Gains and Losses on EIS and SEIS shares			✓	

22	22	Incorporation relief		✓		'Look through' available when determining whether ER available on sale of shares following incorporation.
23	23	Principal private residence relief			✓	
24	24	PPR relief - further aspects			✓	
25	25	Assets lost or destroyed			✓	
26	26	Compensation for assets damaged			✓	
27	27	Purchase of Own Shares			✓	
28	28	Transactions in UK Land			✓	
29	29	Annual Tax on Enveloped Dwellings	✓			CGT on ATED-related gains abolished from 2019/20.

BUSINESS TAX

FA19 Ch	FA18 Ch	Topic	Major changes	Minor changes	No changes	Notes
1	<i>n/a</i>	Trading Income and the Badges of Trade			✓	Added to the syllabus for the 2020 exams
2	1	Adjustment of Profit - General Principles			✓	
3	2	Common Adjustments			✓	
4	3	Current Year Basis and Opening Year Rules			✓	
5	4	Overlap Relief and Closing Year Rules			✓	
6	5	Change of Accounting Date			✓	
7	6	Capital Allowances - Definitions			✓	
8	7	Capital Allowances - Basic Computations			✓	
9	8	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.
10	9	Capital Allowances - Further Computations		✓		Rate of WDA in Special Rate Pool reduced to 6% from 6 April 2019 (1 April 2019 for corporation tax).

11	10	Capital Allowances - Cars and Other Points	✓			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.
12	11	Losses - Continuous Trades			✓	
13	12	Losses - Opening and Closing Year Rules			✓	
14	13	Introduction to Partnerships			✓	
15	14	Partnership Changes			✓	
16	15	Partnership Admissions and Retirements			✓	
17	16	Partnership Losses			✓	
18	17	Limited Liability Partnerships			✓	
19	18	Partnership Capital Gains - basic principles			✓	
20	19	Partnership Capital Gains - further aspects			✓	
21	20	Partnership Capital Gains - asset revaluations			✓	

CORPORATION TAX

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	Property Income			✓	
9	9	Loan Relationships			✓	
10	10	Relief for Trading Losses		✓		100% FYAs on environmentally friendly/energy saving equipment abolished from 31.3.20.
11	11	Relief for Other Losses			✓	
12	12	Corporate Capital Gains			✓	

13	13	Intangible Fixed Assets		✓		New 6.5% p.a relief for amortisation of goodwill where acquired as part of business acquisition in which intellectual property also acquired.
14	n/a	Research and Development Expenditure			✓	Added to the syllabus for the 2020 exams
15	14	Companies with Investment Business			✓	
16	15	The Principles of Group Relief			✓	
17	16	Group Relief – Further Aspects			✓	
18	17	Group Capital Gains		✓		From 6 April 2019, gains made by non-resident group companies from disposals of UK land and buildings used for the purposes of a trade are also eligible for group rollover relief.
19	18	Group Gains – Further Aspects		✓		IFA degrouping charge no longer arises where substantial shareholding exemption applies and transferee company leaves group on or after 7 November 2018.
20	19	Change in Ownership of a Company			✓	
21	20	Residence and Double Tax Relief		✓		Non-resident companies charged to corporation tax on gains from disposals of interests in UK land and buildings from 6 April 2019.
22	21	Dual and Non-Resident Companies		✓		Non-resident companies charged to corporation tax on gains from disposals of interests in UK land and buildings from 6 April 2019. Amendment of definition of PE under fragmented business legislation.
23	22	Transfer Pricing			✓	

24	<i>n/a</i>	Administration and Liquidation			✓	Added to the syllabus for the 2020 exams
25	<i>n/a</i>	Informal Winding Up			✓	Added to the syllabus for the 2020 exams