

PERSONAL INCOME TAX – FA21 CHANGES GUIDE

Note that all chapters have been updated for 2021/22 thresholds, rates and allowances.

FA21 Ch	FA20 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	The taxation of interest			✓	
4	4	The taxation of dividend income			✓	
5	5	Relief for married couples			✓	
6	6	Deductible payments			✓	
	7	Tax reducers				Chapter no longer needed as relief for maintenance payments removed from syllabus.

7	8	Scottish taxpayers			✓	
8	9	An introduction to self-assessment			✓	
9	10	Payment dates, interest & penalties			✓	
10	11	Self-assessment – further aspects		✓		Minor amends to HMRC Information and Inspection Powers
11	12	Introduction to employment income & benefits			✓	
12	13	Company car & fuel benefits			✓	
13	14	Living accommodation: taxable benefits			✓	
14	15	Loans to employees & use of assets			✓	
15	16	Miscellaneous benefits			✓	

16	17	Expenses of employment			✓	
17	18	Introduction of PAYE			✓	
18	19	Operation of the PAYE system			✓	
19	n/a	PAYE – Penalties and Interest			✓	New chapter, content moved from previous chapter
20	20	Class 1 National Insurance Contributions		✓		0% rate for secondary NICs where employee is an armed forces veteran.
21	21	Class 1 National Insurance Contributions & directors			✓	
22	22	Class 1A & 1B National Insurance			✓	
23	23	Termination payments			✓	
24	24	Employed or self-employed?			✓	

25	25 & 26	Off-Payroll Working <i>(previously Personal Service Companies)</i>	✓			Content combined with content from Employment Intermediaries and the Public Sector chapter. Re-written and updated to take account of the changes to the rules from 6 April 2021.
26	27	Pension schemes			✓	
27	28	Pension schemes – further aspects			✓	
28	29	Introduction to Share Schemes			✓	
29	30	Share Incentive Plans (SIPs)			✓	
30	31	Company Share Option Plans			✓	
31	32	Non-tax advantaged share option schemes			✓	
32	33	Enterprise Management Incentives (EMIs)			✓	

CAPITAL GAINS TAX – FA21 CHANGES GUIDE

All chapters have been updated for changes in the rate of personal allowances and tax bands.

FA21 Ch	FA20 Ch	Topic	Major changes	Minor changes	No changes	Notes
1	1	Introduction to capital gains tax			✓	
2	2	Calculation of capital gains			✓	
3	3	Business asset disposal relief			✓	
4	4	Reporting of CGT & capital gains			✓	
5	5	Connected persons & Inter Spouse Transfers			✓	
6	6	CGT & Employee Share Schemes			✓	
7	7	Rollover relief			✓	

8	8	Rollover relief & depreciating assets			✓	
9	9	Rollover relief – further aspects			✓	
10	10	Gift relief			✓	
11	11	Gift relief - restrictions			✓	
12	12	Gift relief – further aspects			✓	
13	13	Partnership Capital Gains – basic principles			✓	
14	14	Partnership Capital Gains – further aspects			✓	
15	15	Partnership Capital Gains – asset revaluations			✓	

16	16	Inheritance Tax			✓	
17	17	An Introduction to Anti-Avoidance			✓	

BUSINESS TAX – FA21 CHANGES GUIDE

FA21 Ch	FA20 Ch	Topic	Major changes	Minor changes	No changes	Notes
1	1	Trading Income & the Badges of Trade			✓	
2	2	Adjustment of Profit – General Principles			✓	
3	3	Common Adjustments			✓	
4	4	Stock – Adjustments			✓	
5	5	Current Year Basis & Opening Year Rules			✓	
6	6	Overlap Relief & 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 & the AIA		✓		Section on pre-1/1/2019 straddling removed as no longer in the syllabus.
11	11	Capital Allowances – Further Computations			✓	
16	12	Capital Allowances – Cars & Other Assets	✓			Section on Structures and Buildings Allowances moved to new separate chapter.
13	n/a	Structures and Buildings Allowance	✓			New chapter, content moved from earlier chapter.
14	13	Losses – Continuous Trades		✓		New section on temporary three year carry back.
15	14	Losses – Opening & Closing Year Rules			✓	
16	15	Introduction to Partnerships			✓	
17	16	Partnership Changes			✓	

18	17	Partnership Admissions & Retirements			✓	
19	18	Partnership Losses			✓	
20	19	Limited Liability Partnerships			✓	
21	20	Mixed Partnerships			✓	
22	21	Classes 2 & 4 National Insurance			✓	
23	22	Simplification Measures			✓	
24	23	Incorporation			✓	

CORPORATION TAX – FA21 CHANGES GUIDE

FA21 Ch	FA20 Ch	Topic	Major changes	Minor changes	No changes	Notes
1	1	Introduction to Corporation Tax		✓		Changes to reflect enhanced FYA.
2	2	Computation of Corporation Tax		✓		Corporation tax rate increase in FY 2023, with a small profits rate.
3	3	Long Periods of Account		✓		Changes to reflect enhanced FYA.
4	4	Corporation Tax Self-Assessment (CTSA)			✓	
5	5	Payment of Corporation Tax		✓		Removed references to pre 1 April 2019.
6	6	Interest on Late Paid Corporation Tax & Repayments			✓	
7	7	CTSA Penalty Regime			✓	
8	8	Loan Relationships			✓	

9	11	Corporate Capital Gains			✓	
10	12	Intangible Fixed Assets	✓			Treatment of goodwill simplified with acquisitions between 1 April 2002 and 7 July 2015 removed, to reflect reduced scope of syllabus.
11	n/a	Intangible Fixed Assets – Related Parties	✓			Detail of 1 July 2020 rule changes removed and treatment of goodwill on incorporation simplified as above to reflect reduced scope of syllabus.
12	13	Research & Development Expenditure		✓		New PAYE and NIC cap on SME R&D tax credit. Tax relief for capital expenditure on R&D added to this chapter.
13	14	Companies with Investment Business			✓	
14	9	Relief for Trading Losses	✓			Temporary extended carry back loss relief for accounting periods ending between 1.4.20 and 31.3.22. Removal of pre-1 April 2017 losses throughout losses chapters reflecting syllabus changes. Chapter rewrite.
15	10	Relief for Other Losses	✓			Removal of pre-1 April 2017 losses throughout losses chapters reflecting syllabus changes. Chapter rewrite.

16	15	Change in Ownership of a Company			✓	
17	16	Transfer of Trade		✓		Treatment of goodwill on transfer between connected companies changed to reflect scope of syllabus.
18	17	Sale of Shares		✓		New section added on Employee Ownership Trusts which have been added to the syllabus.
19	18	Close Company Definition			✓	
20	19	Close Company Implications			✓	
21	20	Close Company Implications – further aspects			✓	
22	21	Accounting for Income Tax		✓		Payments to an EU associate company can no longer be paid gross from 1 June 2021.
23	22	Tax Law & Accounting Practice			✓	
24	23	Tax & provisions			✓	

25	24	Purchase of Own Shares		✓		Expanded details of condition for capital treatment when discharging inheritance tax liability.
n/a	25	<i>Administration and Liquidation</i>				<i>Relevant content now included within Extracting Profits from a Company chapter</i>
26	26	Informal Winding Up			✓	
27	27	Dividends and Other Distributions			✓	
28	28	Corporation Tax Deductions for Share Schemes			✓	
29	29	Extracting Profits from a Company			✓	