

VALUE ADDED

Now you have read this issue of *Taxation*, be sure that you and your staff make the most of it!

Assign any action points to members of staff by entering the staff member's initials in the box alongside it, then filling in the circulation list. You and your staff can then convert your reading into a more structured form of CPD by taking the online quiz, which will give you a record of your score by email – the notes below will help you check before starting that you remember the key points!

If you do not have staff, then use this page as a reminder for yourself to plan any action that you need to take, and to complete the online CPD quiz to verify what you have learned.

CIRCULATION
NAME

READ X

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CPD ONLINE

The online CPD quizzes can be accessed at www.lexisurl.com/taxcpd. Before taking this week's, check that you have read the items referred to below.

- [1] Here's quite an easy one to start, from our news pages: you may well remember that the rate of income tax relief for the enterprise investment scheme is changing, but can you remember both the old and the new rates?
- [2] In Mike Truman's Comment article 'Self-serving?' he explains the new self-service proposals in the Tax Agents' Strategy. Make sure you know what is and is not included in the initial proposals, and do not confuse them with the suggestions our readers made.
- [3] Jack Hollyman's article 'A big extraction' looks at getting profits out of a corporate partner. Have a close look at the rules for a capital distribution to qualify for entrepreneurs' relief on winding up.
- [4] James Kessler's 'Rattling the cage' describes his difficulty in getting hold of the skeleton argument in the residence case of *Gaines Cooper*. That case concerned the IR 20 rules for residence, which we are sure you remember well...
- [5] In Sara Cohen's article 'Multiple attraction', pay particular attention to the rules for connected persons.
- [6] The Readers' Forum query 'Trust triangle' looks at why the income of a beneficiary might not be the same as the income he or she is taxable on. Be sure that you understand why that can happen.

ACTION POINTS

- [1] Remind clients who pay their monthly or quarterly PAYE liabilities electronically that payment must reach HMRC's bank account on 21 October this month, as the usual payment day (22nd) falls on a Saturday, so payments after this will be late (page 3). INITIALS
- [2] The case *Captain S Cleghorn* concerned an offshore investment bond made by the taxpayer. He did not understand the investment and was surprised at having to pay tax on the withdrawals he made. Ensure that clients who make investments in bonds are aware of the tax ramifications if they exceed the withdrawal threshold. (page 4). INITIALS
- [3] Have you thought what the implications will be for your practice if the Tax Agent Strategy proposals come into force? In particular, you may need to consider joining a professional institute if you are not currently a member (page 6). INITIALS
- [4] Do you have self-employed clients making profits in excess of their current financial requirements and taxed at the higher or additional rates? Should they consider using a limited company in conjunction with their business to shelter part of their profits from these rates of tax (page 10)? INITIALS
- [5] Barristers and solicitors preparing cases where it would be useful to know how HMRC approached a previous case that came to tribunal or court should ask for a copy of the original skeleton argument. INITIALS
- [6] Ensure that clients which are considering buying back some of their shares satisfy all the tests for capital tax treatment, which are contained in CTA 2010, s 1034 to s 1043 (page 14). INITIALS
- [7] If you have non-self assessment clients who have an underpayment caused by the issue of an incorrect PAYE code, are you certain that ESC A19 does not apply? Should you ask for a case review or a reference to the Adjudicator or Ombudsman (page 24)? INITIALS

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