

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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ACTION POINTS

- [1] HMRC have been sending letters to participants in certain tax avoidance schemes offering them settlement terms, but not to their advisers. However sure you are that none of your clients are affected, still consider contacting your wealthier clients, asking them to let you know if they receive one (page 2). INITIALS
- [2] Make sure clients understand the implications of gifting an asset or money to a family member, etc. If they retain an interest in that property, HMRC are likely to say that the gift was made with reservation of benefit and that therefore inheritance tax will be due on the donor's death (page 4). INITIALS
- [3] Do you have clients who are going to struggle with the RTI "on or before" rule? Help try to get it changed: write to your MP as Paul Aplin suggests, explaining the burden this will place on employers (page 6). INITIALS
- [4] Ensuring that the annual capital gains tax exemption has been used, perhaps by the sale and repurchase of shares can result in tax-free capital gains. If advising on this, ensure that other advisers, eg financial advisers, have not duplicated this advice and recommended other disposals (page 10). INITIALS
- [5] Implementing the real time information system may involve additional time costs where practitioners operate PAYE for their clients. Consider whether the practitioner or client will bear this cost (page 14). INITIALS
- [6] Note that a capital gains tax exemption applies to the sale of awards for valour or gallant conduct, but only when these have not been acquired for money or money's worth. It therefore appears that a collector who paid for a medal can gift it to a spouse and s/he can then sell it CGT-free (page 33). INITIALS
- [7] Note that from 1 January 2011, the "general rule" for business-to-business supplies now applies. For VAT purposes, the place of supply is where the customer belongs (page 40). INITIALS

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] Wouldn't it be nice to be one of the "affluent"? Well, not if it means you come to the attention of HMRC's Affluent Unit... If you have read our news item, you will know when that might happen.
- [2] We'll deal with when the "full payment submission" must actually be made for RTI in a later question. However, Paul Aplin disagreed with the time stated in the legislation; do you remember what he said?
- [3] Annette Morley mentioned the four conditions and benefits of an investment under the seed investment enterprise scheme. We've only given three of them; can you spot the ringer?
- [4] Louise Manning's article is the one which says what the law actually is in relation to payments and submissions under RTI. An easy question, this one; you just need to know what the rules are.
- [5] A straightforward odd-one-out question about Keith Gordon's article; you need to know about tax-exempt pensions for the armed forces.
- [6] Our readers' forum question concerns compensation for Equitable Life policyholders. While they haven't had a lot of good news, they do normally avoid a tax liability. Provided you can explain which tax is abnormal, you will be able to answer the question.



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