

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.

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] In 'Tax cases', be sure you understand exactly what the decision was in the cases given – not just who won and lost, but exactly what they won and lost!
- [2] In 'Glimmer of hope', look at the process involved in consulting on possible changes such as this, and how they fit into the legislative timetable. Where did this document come from, and what does it ask for?
- [3] In 'Great Expectations', there are two parts to the article – the technical issues and the general point about legitimate expectation. Make sure you have understood the former as well as the latter!
- [4] In 'Have I the right', the point is to avoid having the gain held over, since this will mean that entrepreneurs' relief is lost and the CGT rate is higher. But how do you ensure that this happens?
- [5] In 'Performing a service', a lot depends on the particular activities being carried on, as well as on the status of the customer as business or non-business. You need to have a good grasp of which activities do or do not give rise to a liability.
- [6] Finally, in Readers' Forum, there is an issue about the supply of education to an eligible body. Some structures will give rise to a VAT exemption, some won't. Make sure you know the difference between them!

CIRCULATION
NAME

READ X

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ACTION POINTS

- [1] Check with your clients to find out if they have been sent business record check meeting requests. Ensure that they do not get charged penalties in the 'test-and-learn' period. (page 2). INITIALS
- [2] If you want to see income tax and NIC integrated, then respond to the consultation document on the subject and say so (page 6). INITIALS
- [3] Warn clients that they need to make a written record of any HMRC advice they rely on, recording the officer's name, advice given and exact date and time. Ideally they should get it confirmed in writing. Consider checking this has been done as a step in tax computation preparation (page 9). INITIALS
- [4] If a client selling a business has sufficient entitlement to entrepreneurs' relief, then consider a cash-based earn-out with a high valuation, or a fixed price with a warranty for failure to meet profits (page 11). INITIALS
- [5] Borrowing money to pay an up-front CGT liability on which entrepreneurs' relief has been claimed will normally be cheaper overall than paying CGT at 28% on a rollover into loan notes (page 12). INITIALS
- [6] Ensure that clients doing business abroad are aware of the place of supply rules introduced in 2010 and 2011 and that they seek advice if there is uncertainty as to whether VAT should be charged (page 13). INITIALS
- [7] How do you make sure that your staff have the qualifications they need to do their job? Look at the range of qualifications now on offer, and see if your current approach is still valid (page 19). INITIALS
- [8] Clients coming back to the UK from overseas should consider rebasing their asset costs for CGT, if appropriate given the jurisdiction they are leaving, by transferring the assets into a trust but taking a power to direct the trustees to exercise a power of appointment in their favour (page 47). INITIALS

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