

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] The first CPD question is based on one of our tax cases, the *Hoardweel Farm Partnership*. If you have read and understood our summary of the case, you should be able to answer the question.

[2] Keith Gordon's article on ESC A19 explains the current position and also the proposed revisions. Pay close attention to the specific details which relate to a change of circumstances and income.

[3] Farming is a trade where losses can arouse the suspicion of HMRC. There are several reasons why such losses can legitimately occur; you need to be aware of them in order to answer our question.

[4] Of the varied changes to VAT considered in Neil Warren's article, it is the changes to self-storage that will help you answer the CPD question. You also need to be aware of the option to tax rules.

[5] It is the details of the transaction at the heart of the *Aspect Capital* case that you will need to know in order to answer the question based on Mike Truman's article, which is another of our 'odd one out' questions.

[6] Rather than an odd-one-out question, this is a 'one main factor' question. It is based on the Readers' Forum answer 'eBay and euros', and is crucial to the taxation of an international business.

ACTION POINTS

[1] Do you have any client estates caught up in the home loan litigation? If you have not already done so, consider whether any tax should be paid on account to assuage possible interest charges in case the matter is settled in favour of HMRC (page 3). INITIALS

[2] It is worth noting that a crucial factor in the First-tier Tribunal's acceptance in *New Image Trading* that a car was not used for private purposes, was the employee having two places of work. Make a note of this useful piece of legislation (ITEPA 2003, s 339) in case it proves useful in similar or other circumstances (page 4). INITIALS

[3] Keith Gordon explains his opposition to HMRC's proposed revisions to ESC A19 in his article. Check out his epetition campaigning against a proposed changes and encourage your colleagues to sign it as soon as possible (page 6). INITIALS

[4] If you deal with elderly farmers, are they continuing to live in the farmhouse? Vacating it, even a relatively short time before death, may lead to the reduction of APR on it (page 10). INITIALS

[5] The subject of VAT on rent paid by self-employed hairdressers to salon owners has now been put beyond doubt – if there ever was any. Do you have clients who are in receipt of such 'rent' and is this now being correctly dealt with (page 14)? INITIALS

[6] Specialists in share incentives will want to consider the scheme in *Aspect Capital Ltd* very carefully – it is possible that a better design could have prevented the CTA 2010, s 455 charge, although the disguised remuneration implications would need to be investigated if the idea is to be taken further (page 18). INITIALS

[7] If you have clients who are non-UK domiciled and who are currently using the remittance basis, but are not yet liable to pay the charge to do this, have you counted included the year of arrival when counting the years spent in the UK (page 24)? INITIALS

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