

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] The decision in *Haseldine* concerned contributions to and payments from an overseas pension scheme. ITEPA 2003, s 575 restricts the taxable amount of pension received from an overseas scheme. Can you recall how much of the actual sum received is subject to tax in the UK?
- [2] Mike Truman compares two previous articles on the tax gap. To answer this question, you will have to know how you get from the gross tax gap to the net tax gap.
- [3] The new high income child benefit charge is the subject of Mark Morton's article. It is thought that this will affect around 1.2 million families. The solution to the question relating to this article tests your knowledge of the proportion that will lose all their benefit.
- [4] In his article, Andrew Needham refers to the new system for late registration penalties, saying it mirrors the one introduced on 1 April 2009. This question asks when the latest regime took effect.
- [5] With effect from 16 June 2012, the individual limit for EMI option grants has been increased from £120,000. Can you remember what the new limit is?
- [6] The Readers' Forum query "Booted out?" concerns an event put on by a non-profit making organisation. This will not be subject to VAT provided three conditions are satisfied. How sure of these conditions are you?

CIRCULATION

NAME

READ X

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ACTION POINTS

- [1] Don't forget that HMRC's new reply tracker service can be used to check on the progress of 64-8 applications and how long it will take for the department to deal with your registration for their online services (page 2). INITIALS
- [2] The decision in *Scarfe and another v Matthews and others* concerned a bequest of a property in France. Remember that the French testamentary rules differ from those in the UK. Make sure that clients with property in France are aware of the restrictions when thinking about estate planning (page 5). INITIALS
- [3] Note that HMRC's inclusion of avoidance and "adverse litigation outcomes" in the tax gap means that they will continue to target them. Make sure that clients who want to get involved in such schemes are aware of the battle they may be getting into (page 8). INITIALS
- [4] Have you warned clients with earnings in (or potentially in) the £50,000 to £60,000 bracket that it may be beneficial to reduce their income, perhaps by pension premiums or deferring receipt to reduce the high income child benefit charge (page 11)? INITIALS
- [5] The circumstances described by Andrew Needham serve as a helpful reminder that HMRC must be kept informed about any changes to a business's legal entity and registration as soon as possible after it takes place (page 13). INITIALS
- [6] Remember that employees who take up share options shortly before a company takeover and then dispose of them in the takeover process may not have held the shares for the 12-month period needed for entrepreneurs' relief to be obtained (page 15). INITIALS
- [7] Both the foreign tax paid in respect of a foreign dividend and the associated UK tax credit are available as a credit against the shareholder's UK income tax liability, however, the credit must be limited to the actual UK tax liability and the balance is not repayable (page 19). INITIALS

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