

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] Dishonest conduct by tax agents is the subject of our News question. The new legislation takes effect from April 2013, and gives HMRC a lot of powers, but they are not permitted to do absolutely anything they want, as I am sure you know.
- [2] As you might expect, we've not exactly got a difficult CPD question for Chris Williams's article. Just remember we want the real definition, not the one that he gives!
- [3] Toby Crooks wrote about investing in wine. In that situation there are certain things that you definitely don't want to have to say to the taxman, as they will point towards trading.
- [4] While it is unlikely that you will ever find Robert Maas's article in a published set of case reports, many of the points he raises are important; for example, the time limits for raising assessments.
- [5] It wouldn't be a CPD quiz without an "odd-one-out" question; in Neil Warren's article you need to pay attention to the four basic rules of business gifts, so that you can identify the one we have altered.
- [6] Purchase of own shares is the subject to concentrate on for the Readers' Forum question, and in particular on the time limits. Getting that wrong could be a very expensive mistake!

CIRCULATION

NAME	READ X
.....
.....
.....
.....

ACTION POINTS

- [1] The government is going ahead with its proposal to impose a cap on certain income tax reliefs. Make sure that you warn clients who might be affected, and consider what steps, if any, can be taken to mitigate the effect (page 4). INITIALS
- [2] If a client's business appears to be little more than an extension of his hobby, make sure the client is aware that HMRC may be reluctant to allow input tax claims for VAT purposes, on the basis that no commercial entity exists (page 5). INITIALS
- [3] Take your opportunity to win a festive bottle of champagne by reading Chris Williams's article and spotting all the puns, references to tax issues, and other cultural allusions. Let us have your list, and you might go into the hat to win our prize (page 6). INITIALS
- [4] Wine can be an interesting investment. If you have clients who sell wine as part of their investment strategy, make them aware that the disposal may be exempt from capital gains tax as a wasting asset, but this is unlikely to be the case if the wine is designed to be kept for more than 50 years (page 10). INITIALS
- [5] It is important to consider the business tests that were summarised in *CCE v Lord Fisher*, when you are unsure whether or not a client is carrying on a business for the purposes of VAT. These tests were also crucial in the tribunal's decision in the report of *Goodwin* on page 5 of this week's issue (page 13). INITIALS
- [6] It is a common misapprehension that all supplies to or by a charity are zero-rated. However, remember that specific conditions must be satisfied before this is, in fact, the case (page 18). INITIALS
- [7] There are potential inheritance tax savings to be made by ensuring that the death benefits from pension plans are held in spousal bypass trusts. Do you know which of your clients are potential beneficiaries and whether the benefits are written in trust (page 25)? INITIALS

What's on offer..?
Valuable coverage through reprints



Reprints available of any article or issue. Please contact Daniel Wild at daniel.wild@lexisnexis.co.uk or tel: 020 8212 1995