

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] In 'Tax Cases' the case of *Stephen Rich* is good revision for the basic rules about the deadline for clients to report their chargeability to tax when they have not received a tax return.
- [2] Alun Oliver and James Daniels' 'A bodge job' criticises the proposals for reform of capital allowances – but have you remembered what is and is not included in the proposals?
- [3] Mike Truman's 'Making your mind up' looks at the effect of the new furnished holiday letting rules. Pay particular attention to the new provisions for a 'period of grace', and when they will (and will not) apply.
- [4] It's easy to get lost in the numbers when looking at the taxation of company cars. Ray Chidell's 'Drivers of change' has all the information you need about percentages that will apply in future years.
- [5] One of the key definitions in disguised remuneration (Nigel Homes and Graham Poles, 'A cunning disguise') is that of a qualifying benefit. Do you know what is required by the definition?
- [6] In Readers' Forum, the question 'Achieving closure' concerns an attempt to claim relief for losses under the share loss provisions of ITA 2007, s 131. There are some specific conditions which have to be met – can you spot the odd one out?

ACTION POINTS

- [1] Once again this year, HMRC have revised the advisory fuel rates for company cars. Tell clients that the only change this time relates to cars with an engine size 1,401cc to 2,000cc using LPG (down to 12p from 13p) (page 2). INITIALS
- [2] Looking at the decision in *McMullen Holdings Ltd*, ensure that you have an appropriate system in place logging correspondence both with the client and HMRC relating to VAT registrations (page 4). INITIALS
- [3] Historic capital allowances claims should be reviewed to ensure that all capital allowances on fixtures in property have been secured. If HMRC's proposed rules are introduced, it may not be possible to include previously unclaimed fixtures in future capital allowances computations (page 6). INITIALS
- [4] Make sure clients with furnished holiday lettings businesses are aware of the need to show that they have 'intended' to meet the lettings requirement when they fail to do so. Advertisements, marketing and not reserving weeks in season for family use will all be helpful evidence (page 10). INITIALS
- [5] Ensure that clients and their employees are aware of the thresholds for the calculation of benefits in kind and capital allowances in respect of company cars so that informed decisions can be made when cars are due for renewal (page 14). INITIALS
- [6] If any of your client companies are using employee benefit trusts, have you reviewed the potential IHT, corporation tax and new ITEPA 2003, Part 7A implications, particularly for loans made between 9 December 2010 and 5 April 2011 (page 18)? INITIALS
- [7] Charging management fees between companies can be a tempting strategy. However, is there a commercial reason for them and are they incurred 'wholly and exclusively'? A disallowance in the payer's hands does not mean that the receipt will not be taxable (page 24). INITIALS

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