

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] Deadlines, deadlines, deadlines. It seems that all HMRC give us is deadlines. Make sure you know the ones for the latest campaign to get tax out of electricians who have not been paying the right amount.
- [2] The question on Mike Truman's article won't test your technical knowledge, it looks instead at the so-called 'tax amnesties' announced in recent years by HMRC, and how successful they have been.
- [3] The article by Priya Dutta and Ian Maston looks at the *Pawson* case, and the possibility of claiming business property relief on a furnished holiday letting property. You will need to understand how the tribunal came to its decision.
- [4] Jenny Nelder's article has an interesting summary of HMRC's 'rough guide' to share valuation, which you should study carefully.
- [5] Mark McLaughlin's article on making gifts out of income includes a review of the cases as well as HMRC's practice. It is the former that you will need to know in order to answer the CPD question.
- [6] The CPD question based on the readers' forum will require you to know the legislation on capital allowances and how it applies to structures; see the question and answer 'Fowl play'.

ACTION POINTS

- [1] HMRC are sending letters to taxpayers with unsettled *Mansworth v Jelley* claims. Warn any clients who are in this position that they might be receiving such a letter and decide whether or not withdrawing the claim is appropriate (page 2). INITIALS
- [2] An accountant recently fell foul of the money laundering regulations by failing to register before she began providing accountancy services. Make sure that your firm is still compliant with the latest regulations, for example by checking out HMRC's website at www.lexisurl.com/mlri (page 4). INITIALS
- [3] If clients have to complete statements of assets at the end of an investigation, impress on them the likelihood of criminal prosecution if they have knowingly done so incorrectly (page 5). INITIALS
- [4] Do you have clients who have furnished holiday letting property and who are potentially liable to inheritance tax? Are there any other services that they might be able to provide which may make it more likely that the property will qualify for business property relief, based on the *Pawson* case (page 7)? INITIALS
- [5] If clients have been talking about making non-arm's-length transactions, you might offer to prepare a very rough initial indication of what the shares might be worth, even if you would eventually use a specialist to negotiate with HMRC (page 11). INITIALS
- [6] One of the most valuable ways to use the IHT exemption for gifts out of income is for the donor to establish a pattern that all excess income is given away. This can be done by, for example, having the income paid into an interest-bearing current account, and making regular gifts to reduce the balance back down to a set figure at least once a year (page 15). INITIALS
- [7] If clients intend to make a property their main residence for a short period, ensure they keep as much written evidence as possible of its status (page 21). INITIALS

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