

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] As our news item sets out, some 2012/13 limits and allowances were increased by inflation in the Chancellor's autumn statement, some were not. There is an important one for savers which we'll be asking you about... .
- [2] Kevin Slevin's Comment article is all about minority holdings and entrepreneurs' relief. One important aspect to consider is the special regime for joint venture companies, but you would know all about that, wouldn't you?
- [3] When confronted by a question about basis periods in the early years of trade, do you always get the reference books out? We sympathise, but after reading Heather Miller's article 'A medical examination' you should be able to remember the rules.
- [4] Maria Kitt's article 'Bad company' is about penalties for incorrect corporate tax returns. Think REALLY bad company for this question.
- [5] Sometimes taxpayers can do the right thing, and it gets them a reduction in penalties (see Malcolm Gunn's 'Tax fine'). But how big a reduction?
- [6] Overseas service can be very helpful when it comes to the taxation of foreign pensions. The rules, as set out in the Readers' Forum answer 'pension payouts', can be complicated, so be sure you know them.

ACTION POINTS

- [1] Automatic enrolment for employer pension schemes begins in 2012, so it may be a good idea to send a briefing to clients with employees reminding them about this change to the pensions legislation and summarising, or referring them to, for example, the information on the Pensions Regulator's website (page 2). INITIALS
- [2] Partners in a partnership have to complete a specific partnership tax return as well as filling in the partnership pages of their personal self assessment tax return. Ensure that clients in partnerships are aware of this, particularly given the fast-approaching deadline for 2010/11 returns (page 7). INITIALS
- [3] Do you have client companies that have investments in joint ventures? If so, consider whether HMRC's view that such investments might now be a trading rather than investment activity will affect entitlement to the substantial shareholdings exemption or entrepreneurs' relief (page 8). INITIALS
- [4] Always consider whether forming a new partnership will produce a better tax outcome than adding a new partner to an existing one (page 12). INITIALS
- [5] In the event that a company client receives a penalty for filing its corporation tax return late, consider how the penalty can be reduced. For example, it may be possible to show the client took reasonable care, or to get it suspended for two years as a result of the error being careless (page 16). INITIALS
- [6] Have you warned clients who are habitually late in providing their tax return information that the £100 penalty for late filing is now automatic and is longer limited to the tax liability (page 20)? INITIALS
- [7] The query 'Replacement home' reflects the importance of ensuring that the trustees of any trust should check the tax implications of decisions they take, so that appropriate action can be taken to prevent unexpected tax bills (page 26). INITIALS

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