

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] You would be forgiven for forgetting which special initiative of HMRC ends when. You would be forgiven by us that is; not necessarily by your clients. That's why we included this question based on our news item!
- [2] There are more important things to worry about than this with the new relief cap, but you should still pick up from Mike Truman's article how the correct figure for adjusted total income is calculated.
- [3] It's hard to understand why employers would pay for private fuel after you have read Ray Chidell's explanation, but you need to know what the consequences are if they start to do so.
- [4] Kevin Slevin's article is all about allowable deductions for capital gains tax. There are some statutory provisions which you should know.
- [5] Mark McLaughlin writes mainly about special reductions in penalties, but don't forget the rules for suspension. Although some commentators have said HMRC are reluctant to agree to it, you need to know when to ask!
- [6] Our final CPD question is from the Readers' Forum answer "Thai'd-up property". There are various issues to consider here, but it is the inheritance tax status of the wife which you should concentrate on in order to finish our quiz.

CIRCULATION

NAME	READ X
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ACTION POINTS

- [1] HMRC's Employer Bulletin 42 focuses on real-time information. Make sure that your employer clients are aware that this new way of operating PAYE begins next April and offer advice on what they should be doing to prepare for it (page 3). INITIALS
- [2] Although the appeal was allowed in part in *M Patterson*, the facts demonstrate the importance of ensuring that payments of tax are allocated correctly to avoid unnecessary surcharges (page 4). INITIALS
- [3] If you have clients who will be affected by the cap on otherwise uncapped reliefs, beware of trying to avoid it by relating losses back into 2012/13. The consultation document says that they will still be covered by the provisions of the cap, so do the calculations before making the election (page 7). INITIALS
- [4] Compose a briefing for those clients who pay the cost of their employees' fuel for private and business journeys, explaining that they could potentially save money by reimbursing for specific business journeys only (page 9). INITIALS
- [5] If "side agreements" are being made that allocate proportions of the future sale costs of assets to parties other than the legal owner, ensure that legal advice is taken as to the exact nature of such payments and that they will be tax deductible. Make sure that such advice is retained for future reference (page 12). INITIALS
- [6] Encourage clients to own up to any careless errors they have found in their tax returns, because by doing so they may be able to get "special reductions" on, or suspensions of, the penalties (page 16). INITIALS
- [7] Where a "use of home as office" expense has been claimed in the accounts of a self-employed client, has thought been given to the justification of this amount? Beware of simply increasing the amount each year – such regular increases may result in a figure in the accounts that does not reflect reality (page 22). INITIALS

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