

Applied taxation

Guided learning hours (GLH): 200 hours

Learning objective (LO)	Job Task (JT)	Weighting	Additional notes
1. Manage a client's self-assessment	<ol style="list-style-type: none"> 1. Complete a self-assessment tax return based on the client's situation 2. Explain the results and implications of a self-assessment (liabilities and how these must be met) 3. Calculate income tax, applying the correct allowances and tax bands for the tax year 4. Identify basis periods and tax years 5. Understand opening and closing years and how to deal with overlap profits 6. Calculate taxable profit, income tax and other deductions including Class 4 National Insurance contributions and explain options for settling liabilities with HMRC 7. Complete PAYE forms, P45 and P60 8. Calculate benefits in kind including car benefit, private healthcare and accommodation and complete a form P11D 9. Advise a client on the best date for the accounting year end 	30%	
2. Managing VAT for a client	<ol style="list-style-type: none"> 1. Explain VAT and distinguish between input and output VAT 2. Distinguish the different types of VAT supply (standard, zero rated, exempt) 	30%	(9) Test awareness but not the details – knowing where to find the information.

	<ol style="list-style-type: none"> 3. Explain VAT administration including registration requirements, voluntary registration, exemption and deregistration, penalties for late registration and record keeping requirements 4. Explain different VAT schemes and their purpose 5. Advise on the implications of the following VAT schemes: 6. Annual accounting scheme 7. Cash accounting scheme 8. Flat rate scheme 9. Margin scheme 10. Understand how to complete and file a VAT return including discounts and bad debts and adjustments and declarations for previous errors or omissions 11. Account for VAT, including recording VAT transactions and performing a reconciliation of the VAT control account 12. Understand other VAT procedures: when a VAT domestic reverse charge procedure applies and how to complete a VAT return with a reverse charge 13. Understand the VAT treatment of trade to 'third countries'. 		Third countries now include the EU
3. Manage corporation tax requirements for clients	<ol style="list-style-type: none"> 1. Discuss the principles of corporation tax, who it is applied to and associated obligations 2. Identify corporation tax chargeable periods 3. Calculate taxable total profits 4. Calculate and explain chargeable gains, 	15%	Context - close companies with assets such as cars, buildings, specialist equipment (3) Include capital allowances super deduction of 130%, FYA

	<ol style="list-style-type: none"> 5. Identify trading loss reliefs 6. Calculate and pay corporation tax liability 7. Maintain accounting records for corporation tax and file tax returns 		and AIA, charitable donations (4) include indexation allowance, capital losses, rollover relief
4. Manage capital gains tax requirements for individuals	<ol style="list-style-type: none"> 1. Explain Capital Gains Tax (CGT) and who it applies to and the administration of CGT 2. Identify chargeable and exempt assets, and chargeable and exempt disposals 3. Distinguish between wasting chattels and non-wasting chattels 4. Calculate gains or losses on the disposal of shares and securities 5. Calculate a client's CGT liability, including CGT allowances and reliefs 	5%	(5) Understand entrepreneurs' relief, pre-1982, 18-month rule for let properties, principal private residence relief, rollover relief, gift holdover relief
5. Manage Construction Industry Scheme (CIS) requirements	<ol style="list-style-type: none"> 1. Explain the Construction Industry Scheme (CIS) 2. Assess whether a client needs to register for CIS 3. Register a client as a subcontractor and/or contractor under CIS 4. File a CIS return for a contractor 5. Describe appropriate records for a client registered for CIS 6. Explain IR35 and its implications to a client 	5%	
6. Prepare property tax accounts	<ol style="list-style-type: none"> 1. Describe the function of Stamp Duty Land Tax (SDLT) and who it affects 	10%	

	<ol style="list-style-type: none"> 2. Apply the allowable expenses and capital expenditure for: 3. residential properties 4. furnished holiday lettings 5. commercial properties <p>Complete the relevant property sections of the tax return</p>		
7. Making Tax Digital and pension auto-enrollment	<ol style="list-style-type: none"> 1. Describe the purpose of HMRC and the taxes it administers. 2. Explain the HMRC digital agenda and Making Tax Digital (MTD) and how to keep up to date with developments 3. Understand how to file tax returns, including digital returns and their operation with accounting software 4. Explain payroll and real time information (RTI) 5. Pension auto-enrollment overview – why it was introduced and who regulates it 6. Explain the rules of auto-enrollment and how to apply them in a payroll setting <p>Explain nest and how to obtain information about providers without offering endorsement</p>	5%	<p>Know:</p> <ul style="list-style-type: none"> benefits of MTD scope of MTD how to manage workflow how to limit access rights how to train a client the possible challenges of MTD and how to overcome them Where to get the latest information about MTD