

ACCA

Applied Skills

**Taxation (TX-UK)
(Finance Act 2023)**

EXAM KIT

For June 2024 to March 2025 examination sittings

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Key features in this edition

In addition to providing a wide ranging bank of real past exam questions, we have also included in this edition:

- An analysis of all of the recent examinations.
- Exam specific information and advice on exam technique.
- Our recommended approach to make your revision for this particular subject as effective as possible. This includes step by step guidance on how best to use our Kaplan material (study text, pocket notes and exam kit) at this stage in your studies.
- A wealth of past real examination questions adapted to the new examination style with enhanced tutorial answers and packed with specific key answer tips, technical tutorial notes and exam technique tips from our experienced tutors.
- Complementary online resources including full tutor debriefs and question assistance to point you in the right direction when you get stuck.

You will find a wealth of other resources to help you with your studies on the following sites:

www.mykaplan.co.uk

www.accaglobal.com/en/student.html

Quality and accuracy are of the utmost importance to us so if you spot an error in any of our products, please send an email to mykaplanreporting@kaplan.com with full details, or follow the link to the feedback form in MyKaplan.

Our Quality Coordinator will work with our technical team to verify the error and take action to ensure it is corrected in future editions.

INDEX TO QUESTIONS AND ANSWERS

INTRODUCTION

All TX exams have been computer-based exams (CBEs) from the June 2019 sitting, if you would like further information on sitting a CBE TX examination please contact either Kaplan or the ACCA.

As a result of changes to the TX exam format over time, the majority of past exam questions in their original format are not representative of current TX examination questions. The questions contained in this exam kit are therefore based on past exam questions but it has been necessary to adapt them to ensure that they are representative of questions in the examinations. The adaptations have been made to reflect the new style of exam, new legislative changes in recent Finance Acts, Tax law changes and IFRS® Standards terminology. We have also included new topics brought into the syllabus in some questions.

Many of the questions within the kit are past ACCA exam questions, and the more recent questions (from 2005) are labelled as such in the index. Note that if a question within this kit has been adapted or changed in any way from the original version, this is indicated in the end column of the index below with the mark (A).

Also included are the marking schemes for past ACCA examination questions to assist you in understanding where marks are earned and the amount of time to spend on particular tasks. Note that if a question has been changed from the original version, it will have also been necessary to change the original ACCA marking scheme. Therefore, if a question is marked as 'ADAPTED' you should assume that this also applies to the marking scheme.

A number of questions included in the exam kit are referenced to two examination sittings e.g. March/June 2022. This is as a result of a change in policy made by the ACCA regarding the release of examination questions. Previously, examinations were released in their entirety. The ACCA now release a selection of questions from the March/June and September/December examinations. Therefore, questions referenced as such are taken from the sample released by the ACCA.

KEY TO THE INDEX

ANSWER ENHANCEMENTS

We have added the following enhancements to the answers in this exam kit:



Key answer tips

All answers include key answer tips to help your understanding of each question.



Tutorial note

All answers include tutorial notes to explain some of the technical points in more detail.




Tutor's top tips

For selected questions, we 'walk through the answer' giving guidance on how to approach the questions with helpful 'tips from a top tutor', together with technical tutor notes.

These answers are indicated with the 'footsteps' icon in the index.

Within the questions in the exam kit you will see the following icons, shown in the question requirements:

 = word processing

 = spreadsheet

The icons highlighting the constructed response workspace tool alongside some of the questions are for guidance only – it is important to recognise that each question is different and that the answer space provided by ACCA in the exam is determined by both the technical content of the question as well as the quality assurance processes ACCA undertakes to ensure the student is provided with the most appropriate type of workspace.

ONLINE ENHANCEMENTS***Answer debrief***

For selected questions, we recommend that they are to be completed in full exam conditions (i.e. properly timed in a closed book environment).

In addition to the examining team's technical answer, enhanced with key answer tips and tutorial notes in this exam kit, online you can find an answer debrief by a top tutor that:












- works through the question in full
- explains key elements of the answer, and
- ensures that the easy marks are obtained as quickly as possible.

These questions are indicated with the 'video' icon in the index.

Answer debriefs will be available on MyKaplan at:

www.mykaplan.co.uk

PRACTICE INCOME TAX AND NATIONAL INSURANCE QUESTIONS

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Section 1

PRACTICE INCOME TAX AND NATIONAL INSURANCE QUESTIONS

PRACTICE SECTION A OBJECTIVE TEST QUESTIONS

INCOME TAX BASICS AND EMPLOYMENT INCOME

- 1 Said has made a number of investments during the tax year.

Tick the appropriate box to show which of the following investments will generate taxable income and which will generate exempt income.

	Taxable	Exempt
£400 in shares in the company he works for		
£1,000 in an Individual Savings Account		
£800 in a NS&I investment account		
£500 purchasing a NS&I certificate		

- 2 **March 2020 OT question**

Dane and Zara are a married couple.

They jointly own a residential property which is let to tenants. In the tax year 2023/24 the property business income from the property is £20,000. Dane owns 25% of the property and Zara owns the other 75%. No election has been made in relation to the ownership of the property.

Zane earns employment income of £65,000 and Dane receives £1,788 of child benefit in the tax year 2023/24. Dane has no other income.

Which TWO of the following statements are true in relation to Zara's income tax liability for the tax year 2023/24?

- A Zara's taxable income is £62,430
- B Zara can reduce her income tax liability by claiming the transferable personal allowance (the "marriage allowance")
- C It would be beneficial to Zara if the couple were to make a joint election to HM Revenue and Customs (HMRC) specifying their actual ownership share in the residential property
- D A child benefit charge of £1,788 will be added to Zara's income tax liability