

ACCA

Taxation
(TX-UK)

Study Text

Finance Act 2023 for June 2024 to March 2025
examination sittings

KAPLAN PUBLISHING'S STATEMENT OF PRINCIPLES

LINGUISTIC DIVERSITY, EQUALITY AND INCLUSION

We are committed to diversity, equality and inclusion and strive to deliver content that all users can relate to.

We are here to make a difference to the success of every learner.

Clarity, accessibility and ease of use for our learners are key to our approach.

We will use contemporary examples that are rich, engaging and representative of a diverse workplace.

We will include a representative mix of race and gender at the various levels of seniority within the businesses in our examples to support all our learners in aspiring to achieve their potential within their chosen careers.

Roles played by characters in our examples will demonstrate richness and diversity by the use of different names, backgrounds, ethnicity and gender, with a mix of sexuality, relationships and beliefs where these are relevant to the syllabus.

It must always be obvious who is being referred to in each stage of any example so that we do not detract from clarity and ease of use for each of our learners.

We will actively seek feedback from our learners on our approach and keep our policy under continuous review. If you would like to provide any feedback on our linguistic approach, please use this form (you will need to enter the link below into your browser).

https://docs.google.com/forms/d/1Vc4mltBPrfViy8AhfyKcJMHQKBmLaLPoa_WPqFNf4MI/edit

We will seek to devise simple measures that can be used by independent assessors to randomly check our success in the implementation of our Linguistic Equality, Diversity and Inclusion Policy.

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Contents

	Page
Chapter 1 The UK tax system	1
Chapter 2 Basic income tax computation	17
Chapter 3 Investment income	65
Chapter 4 Property income	101
Chapter 5 Employment income	127
Chapter 6 Pensions	185
Chapter 7 Income from self-employment	217
Chapter 8 Capital allowances	255
Chapter 9 Partnerships	309
Chapter 10 Trading losses for individuals	327
Chapter 11 National insurance	361
Chapter 12 Tax administration for individuals	387
Chapter 13 Corporation tax	423
Chapter 14 Losses for companies	483
Chapter 15 Groups of companies	521
Chapter 16 Tax administration for a company	561
Chapter 17 Computation of gains and tax payable	581
Chapter 18 Computation of gains: Special rules	607
Chapter 19 CGT: Shares and securities for individuals	641
Chapter 20 CGT: Reliefs for individuals	663
Chapter 21 Chargeable gains for companies	725
Chapter 22 Inheritance tax	757
Chapter 23 VAT: Outline	817

Chapter 24	VAT: Administration and overseas aspects	851
Chapter 25	Employability and technology Skills	877
Chapter 26	Questions & Answers	885
Index		I.1



Introduction

How to use the Materials

These Kaplan Publishing learning materials have been carefully designed to make your learning experience as easy as possible and to give you the best chance of success in your examinations.

The product range contains a number of features to help you in the study process. They include:

- (1) Detailed study guide and syllabus objectives
- (2) Description of the examination
- (3) Study skills and revision guidance
- (4) Study text
- (5) Question practice

The sections on the study guide, the syllabus objectives, the examination and study skills should all be read before you commence your studies. They are designed to familiarise you with the nature and content of the examination and give you tips on how to best approach your learning.

The **Study Text** comprises the main learning materials and gives guidance as to the importance of topics and where other related resources can be found. Each chapter includes:

- The **learning objectives**, which have been carefully mapped to the examining body's own syllabus learning objectives or outcomes. You should use these to check you have a clear understanding of all the topics on which you might be assessed in the examination.
- The **chapter diagram** provides a visual reference for the content in the chapter, giving an overview of the topics and how they link together.
- The **content** for each topic area commences with a brief explanation or definition to put the topic into context before covering the topic in detail. You should follow your studying of the content with a review of the illustration/s. These are worked examples which will help you to understand better how to apply the content for the topic.
- **Test your understanding** sections provide an opportunity to assess your understanding of the key topics by applying what you have learned to short questions. Answers can be found at the back of each chapter.
- **Summary diagrams** complete each chapter to show the important links between topics and the overall content of the examination. These diagrams should be used to check that you have covered and understood the core topics before moving on.
- **Questions to practice** are provided at the back of the Study Text.

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.

Icon Explanations



Definition – Key definitions that you will need to learn from the core content.



Key point – Identifies topics that are key to success and are often examined.



Supplementary reading – These sections will help to provide a deeper understanding of core areas. The supplementary reading is **NOT** optional reading. It is vital to provide you with the breadth of knowledge you will need to address the wide range of topics within your syllabus that could feature in an examination question. **Reference to this text is vital when self-studying.**



Helpful tutor tips – These sections give tips on the examinability of topics and whether information is provided in the tax rates and allowances in the examination.



Test your understanding – Following key points and definitions are exercises which give the opportunity to assess the understanding of these core areas. Within the Study Text the answers to these exercises are at the end of the chapter; within the online version the answers can be hidden or shown on screen to enable repetition of exercises.



Illustration – To help develop an understanding of topics the illustrative examples and the Test Your Understanding (TYU) exercises can be used.



Progression – This symbol links the topics in the chapter to other relevant papers in the ACCA syllabus.



Tricky topic – When reviewing these areas care should be taken and all illustrations and test your understanding exercises should be completed to ensure that the topic is understood.

Online subscribers

Our online resources are designed to increase the flexibility of your learning materials and provide you with immediate feedback on how your studies are progressing.

If you are subscribed to our online resources you will find:

- (1) Online reference material: reproduces your Study Text online, giving you anytime, anywhere access.
- (2) Online testing: provides you with additional online objective testing so you can practice what you have learned further.
- (3) Online performance management: immediate access to your online testing results. Review your performance by key topics and chart your achievement through the course relative to your peer group.

Ask your local student experience staff if you are not already a subscriber and wish to join.

ACCA Performance Objectives

In order to become a member of the ACCA, as a trainee accountant you will need to demonstrate that you have achieved nine performance objectives. Performance objectives are indicators of effective performance and set the minimum standard of work that trainees are expected to achieve and demonstrate in the workplace. They are divided into key areas of knowledge which are closely linked to the exam syllabus.

There are five Essential performance objectives and a choice of seventeen Technical performance objectives which are divided into seven areas.

The performance objectives which link to this exam are:

- 1 Ethics and professionalism (Essential)
- 2 Tax computations and assessments (Technical)
- 3 Tax compliance and verification (Technical)
- 4 Tax planning and advice (Technical)

The following link provides an in depth insight into all of the performance objectives:

https://www.accaglobal.com/content/dam/ACCA_Global/Students/per/PER-Performance-objectives-achieve.pdf

The UK tax system

Chapter learning objectives

Upon completion of this chapter you will be able to:

- describe the purpose (economic, social, etc.) of taxation in a modern economy
- explain the difference between direct and indirect taxation
- identify the different types of capital and revenue tax
- describe the overall structure of the UK tax system
- state the different sources of revenue law
- describe the organisation HM Revenue & Customs (HMRC) and its terms of reference
- explain the difference between tax avoidance and tax evasion, and the purposes of the General Anti-Abuse Rule (GAAR)
- appreciate the interaction of the UK tax system with that of other tax jurisdictions and the need for double taxation agreements
- explain the need for an ethical and professional approach.



PER

One of the PER performance objectives (PO1) is to always act in the wider public interest. You need to take into account all relevant information and use professional judgement, your personal values and scepticism to evaluate data and make decisions. You should identify right from wrong and escalate anything of concern. You also need to make sure that your skills, knowledge and behaviour are up-to-date and allow you to be effective in your role. Working through this chapter should help you understand how to demonstrate that objective.