

## UNIT TITLE: PERSONAL TAXATION

Attainment Level	Learning Outcome	Indicative Content
<b>Demonstrate an understanding of:</b>	The UK tax system as relevant to the needs and circumstances of individuals and trusts	<ul style="list-style-type: none"> <li>Income tax – sources of income, liability, allowances, reliefs, priorities for taxing income, income of trusts and beneficiaries</li> <li>National Insurance Contributions (NICs) – liability for employers, employees, self-employed contribution levels, voluntary NICs</li> <li>Capital Gains Tax (CGT) – liability, rate, disposals, gains and losses, reliefs and exemptions, capital gains of trusts</li> <li>Inheritance Tax (IHT) – liability, transfers, nil rate band, rates, reliefs and exemptions, assets held in trusts, transfers to and from trusts</li> <li>Residence and domicile – main rules, impact on liability to income tax, CGT and IHT</li> <li>UK tax compliance – self assessment, Pay As You Earn (PAYE), tax returns, tax payments, tax evasion and avoidance issues</li> <li>Stamp duty reserve tax and stamp duty land tax – transactions subject to tax, rates of tax, main reliefs</li> <li>Outline of Value Added Tax (VAT) and Corporation Tax</li> </ul>
<b>Demonstrate an ability to analyse:</b>	The taxation of investments as relevant to the needs and circumstances of individuals and trusts	<ul style="list-style-type: none"> <li>Direct investments – cash and cash equivalents, fixed interest securities, equities and property</li> <li>Indirect investments: <ul style="list-style-type: none"> <li>pension arrangements</li> <li>Individual Savings Accounts (ISAs) and Child Trust Funds (CTFs)</li> <li>onshore and offshore collectives and investment companies</li> <li>onshore and offshore life assurance policies</li> </ul> </li> </ul>

		<ul style="list-style-type: none"> <li>– Real Estate Investment Trusts (REITs)</li> <li>– Venture Capital Trusts (VCTs) and Enterprise Investment Schemes (EISs) – basic outline</li> </ul>
<b>Demonstrate an ability to analyse:</b>	The role and relevance of tax in the financial affairs of individuals and trusts	<ul style="list-style-type: none"> <li>• The impact of taxes on individuals, trusts and their investments</li> <li>• Key principles of income tax planning – spouse, civil partners, children, pension contributions, ISA allowances, use of the main CGT exemptions and reliefs</li> <li>• Main uses of lifetime gifts and trusts in basic IHT mitigation</li> </ul>
<b>Demonstrate the ability to apply:</b>	The knowledge of personal taxation to the provision of investment advice	<ul style="list-style-type: none"> <li>• To carry out computations on the most common elements of income tax and NICs; CGT; IHT including the impact of lifetime transfers and transfers at death</li> <li>• To make elementary tax planning recommendations in the context of investment advice</li> </ul>