

Business Tax

1. What is the unit about?
 - a. Unincorporated businesses (sole traders and partnerships)-
Computation of trading profit or loss; understanding of capital and revenue expenditure.
 - b. Incorporated businesses (limited companies)- Computation of total taxable profits, loss relief, long accounting period.
 - c. Capital assets; companies and individuals. Shares, chattels, part disposals.
 - d. Paying tax, penalties, NICS (2 and 4), tax returns.

2. Assessment

The assessment lasts 2 hours, it is a computer based assessment. There are objective questions, plus questions requiring an extended written response from the learner.

Task	Marks	Topic
1	12	Computation of adjusted profits for sole traders, partnerships and limited companies
2	14	Computation of capital allowances for sole traders, partnerships and limited companies
3	12	Split of partnership profits for new, continuing and leaving partners. Basis periods for sole traders and partnerships
4	12	Taxable total profits and corporation tax payable
5	4	National insurance contributions
6	6	Losses for sole traders, partnerships and limited companies
7	10	WRITTEN question on theory underpinning topic, payments on account and penalties
8	6	Tax returns
9	8	Basics of capital gains tax
10	10	Taxation of shares
11	6	Capital gains tax exemptions, losses, reliefs and tax
	100	

Assessments sat in 2015 will be assessed under Finance Act 2014.

To be successful, students should demonstrate robust knowledge and understanding of the unit in all tax areas. Students cannot avoid any of the key topics and to ensure success, must be prepared to answer written and computational style questions in any of the tasks.

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