

ASSESSMENT NARRATIVE - Taxation of Owner-Managed Businesses

Structure

A simple pass or fail will be awarded

Identification and Application

The following are the relevant topics for assessment with their weightings:

1.	25%	Identifying and explaining the issues relating to use of LLP for new business
2.	25%	Identifying and explaining the issues relating to the use of company for new business
3.	20%	Identifying the availability of Research and development tax relief and explaining how they can be used to minimise risk of project by claiming of tax credit
4.	20%	Identifying the tax treatment of the future sale and the available reliefs for different stakeholders.
5.	10%	Identifying other issues relating to agreements, VAT and security.

A grade of 0,1,2,3 or 4 is awarded to each topic. The weighting is applied to that grade to produce a weighted average grade. This is then converted to a final absolute grade by rounding up or down to the nearest grade. Thus scores in the range 2.5 to 3.49 will be a grade 3.

Relevant Advice and Substantiated Recommendations

The following are the topics for assessment with their weightings:

1.	40%	Advice and recommendations on the best structure for the development of the new product.
2.	25%	Advice and recommendations on the claiming of R&D tax relief and use of credits to boost income
3.	15%	Advice regarding bringing wife in as business stakeholder
4.	20%	Advice regarding the other issues relevant to the project including extraction of income

The final grade will be determined for this skill in the same way as for Identification and Application.