ASSESSMENT NARRATIVE – TAXATION OF INDIVIDUALS

Structure

A simple pass or fail will be awarded.

Identification and Application

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

1	15%	Application of the Statutory Residence Test (including split-year treatment) and discussion of criteria to become and remain non-resident
2	20%	Identification of Income Tax issues for the dividend income, state pension, property income and French pension as a result of being non-resident.
3	10%	Application of the tax treatment of the deferred state pension lump sum to the relevant year and identifying the correct tax rate applicable.
4	20%	Identification of general Capital Gains Tax issues in point, such as inter-spouse transfers, optimal use of annual exemptions, ability to offset losses, temporary non-residence and CGT rates.
5	15%	Identification and application of private residence relief and NRCGT issues relating to the disposal of Mulberry Lodge
6	20%	Identification of domicile and remittance basis opportunity in respect of the disposal of Villa les Roses

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 conclusions

The following are the topics for assessment with their weightings:

1	30%	Advice and recommendations on the most tax efficient way of disposing of the shareholding
2	30%	Advice and recommendations to ensure the tax rate on the state pension lump sum is minimised
3	40%	Advice and recommendations as to the timing, manner and order of the property disposals

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