ASSESSMENT NARRATIVE FOR INDIVIDUAL APS
NOVEMBER 2019

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%	Explaining CGT and other tax implications (SDLT and IT) arising on gift of property. Identifying as appropriate and explaining entrepreneurs' relief.
2	15%	Explaining CGT and other tax implications (Stamp Duty and IT) arising on gift of shares Identifying as appropriate and explaining gift relief.
3	15%	Identifying when IHT may arise on lifetime transfer of property. Identifying advantage of IHT taper relief on property gift after three years.
4	15%	Identifying when IHT may arise on lifetime transfer of shares Identifying BPR as relevant to eliminate IHT liability.
5	20%	Identifying tax issues relating to pension contributions and restrictions to George's tax relieved pension contributions.
6	20%	Identifying tax issues relating to FHL including George's unused BRB and equal share of FHL profits would push Rachel into higher rate Income Tax.

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. Thus, supposing a candidate scores 3, 3, 4, 2, 2, and 2 respectively on the above topics, this will equate to weighted scores of 0.6, 0.6, 0.8, 0.2, 0.2, and 0.4. The total of these scores is 2.8. 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. In this example, the candidate will score a grade 3 overall and secure a pass for this skill.

Relevant Advice and Substantiated Recommendations

The following are the topics for assessment with their weightings:

50%	Advice and recommendations on whether it is preferred to make a lifetime gift of the property or shares.
25%	Advice on the equalisation of income to minimise George & Rachel's overall Income Tax liability.
25%	Advice on the making of pension contributions and allocation of FHL income to maximise George's tax relieved pension contributions.

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