

ATT LFQs v CTA Advanced Technical – stepping up!

At first sight some CTA Advanced Technical (ADTEC) Questions look similar to ATT LFQs. But don't be fooled by appearances.

There is clearly a greater syllabus content and depth for CTA exams but there is also a significant amount of overlapping content.

You might find that you tackle practice questions, and your script comes back with poor marks and annotated 'you answered this like an ATT question'. So how do you do it differently?

The CTA questions are likely to involve a more complex scenario, a slightly different set of requirements and there may not be just one correct answer!

The main points are:

- make sure that you answer the question asked (not the one that you think is being asked)
- use all of the information in the question to answer it (everything is there for a reason)

Let's consider a couple of examples from the May 2023 exams.

Example 1 – ADTEC OMB Q4(1) v ATT P2 Q15(1)

These are number based questions. Both questions include elements of capital allowances. The major difference between the two relates to the verbs used in the requirements:

ADTEC – **“Calculate, with explanations, the capital allowances that....”**

ATT – **“Calculate Scalit Ltd's Corporation Tax liability....”**

The clear difference in this case is the inclusion of 'with explanations' for the ADTEC exam. Occasionally this will be found in ATT exams but is much more common in CTA exams. So even though the focus is on calculations, for the ADTEC exam you are expected to be able to provide technical explanations.

Those explanations need to be above and beyond comments such as 'this is capital/ this is revenue'. They relate directly to advanced technical knowledge – this is where you need to put in the time to learn the knowledge, so that it can be applied here. In this particular question knowledge of the specific cases is essential to gain many of the 'with explanations' marks. For ATT you were not required to state case names or to have a knowledge of as many cases.

Example 2 – ADTEC IHTTE Q5(1) v ATT P5 Q14(1)

These two questions both relate to the Inheritance Tax due on the death of an individual. The major difference for ADTEC is the focus on the 'why' not just the 'how much' when answering the exam question.

ADTEC – **“Explain the Inheritance Tax arising on Lisa's estate.”**

ATT – **“Calculate, with explanations, the Inheritance Tax due on Rachel's estate.”**

In answering these questions the verbs used show the distinct difference in focus ie ADTEC explanation focused (only 2 out of 7 marks for the numbers); ATT more calculation marks than explanation marks.

However it is also important to take additional clues from the question as the ADTEC scenario is likely to be more complex. So for example

- In the ADTEC question Lisa died 'without leaving a Will' and her husband did not have UK domicile.
- In the ATT question Rachel left specific aspects of her estate to her UK domiciled husband with the residue to her children.

So in answering the ADTEC you need to consider the legal impact of dying intestate (ie who inherits what). This will then guide you to consider what reliefs and exemptions may be available.

To maximise your ADTEC marks assume that the person marking has limited knowledge, so start from scratch:

- Who will receive the estate? (legal bit – the estate passes to the spouse)
- Are there any reliefs and exemptions? – explain these (spouse exemption, RNRB, DTR etc)
- Then and only then do a calculation.

As with any exam the key is to put in the learning – you can't apply knowledge effectively until you have the knowledge. At that point practice as many exam-standard questions as possible. The key to success is lots and lots of practice!

Good luck in your exams!

ATT Chief Examiner/ CTA Deputy Chief Examiner