

## ASSESSMENT NARRATIVE FOR APS INDIVIDUALS NOVEMBER 2021

### Structure

A simple pass or fail will be awarded.

### Identification and Application

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

1	40%	Identification of the correct Capital Gains Tax considerations on the potential property disposals and applying these in order to reach a conclusion of the potential Capital Gains Tax payable by the relevant individuals.
2	25%	Identification of the exposure to the higher rates of Stamp Duty Land Tax (or Additional Dwelling Supplement for Land and Buildings Transaction Tax) and where these will or will not apply in relation to the proposed transactions, including calculation of the relevant amounts.
3	30%	Identification of the relevant issues relating to the Income Tax, namely the High Income Child Benefit Charge (HICBC) and taxation of the property/savings income, application to the scenario and calculation of the exposure to the HICBC.
4	5%	Identification of the relevant issues relating to Inheritance Tax, including the application of the residence nil-rate band and possible exposure to IHT where the estate is not passed to a lineal descendant.

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 relating to Capital Gains Tax and private residence relief, for example use of 'no gain no loss' transfers and main residence elections to mitigate potential liabilities.
2	25%	Advice and recommendations relating to Stamp Duty Land Tax (or Land and Buildings Transaction Tax), including advice on how to minimise exposure to this by structuring the transactions tax-efficiently.
3	35%	Advice and recommendations relating to Income Tax, including how to mitigate exposure to the higher rate of tax and the HICBC and suggestions on how to minimise the tax on the rental income through 'no gain no loss' transfers or other arrangements and advice on how to minimise tax on the savings income.

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