

APPLICATION AND PROFESSIONAL SKILLS – TAXATION OF LARGER COMPANIES AND GROUPS

ASSESSMENT NARRATIVE

Structure

A simple pass or fail will be awarded.

Identification and Application

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

1	30%	Identification of the different Corporation Tax deductions for expenditure on building or adapting premises, including immediate and future deductions (chargeable gains versus capital allowances).
2	15%	VAT and Stamp taxes considerations in the discussion of the various acquisition structures, including Stamp Duty on shares, and SDLT on properties.
3	30%	Discussion of a corporate acquisition including tax attributes and possible restriction on use of losses.
4	25%	Discussion of financing – debt or equity including consideration of transfer pricing and Corporate Interest Restriction rules.

A grade of 0,1,2,3, or 4 is awarded for each topic. The weighting is applied to that grade to produce a weighted average grade. The total of these scores 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:

50%	Advice and recommendation, with reasons, on a factory construction or acquisition of an existing factory.
30%	Advice and recommendations regarding the advantages and disadvantages of a corporate acquisition including discussion of future use of trading losses.
20%	Advice and recommendations on the financing of the acquisition.

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