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	25%	Tax relief on purchase price of e-Boxes Ltd's assets or shares.
2	30%	Tax status of Abertol Farland Ltd: consideration of controlled foreign companies legislation; DPT; the potential taxable gain in e-Boxes Ltd under the share purchase option; and company residence issues.
3	10%	Potential new losses in Abertol Manufacturing Ltd arising from US court case.
4	20%	Identity of trades of e-Boxes Ltd and Abertol Manufacturing Ltd and availability and use of losses.
5	15%	Indirect Taxes - Stamp Duties and VAT.

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. 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	50%	Whether the Abertol group should buy e-Boxes Ltd's assets or shares.
2	20%	Whether to merge the trades of e-Boxes and Abertol Manufacturing Ltd.
3	30%	Whether Abertol Farland Ltd should buy e-Boxes Ltd's intellectual property.

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