

Personal tax and trust planning

At the end of this unit, candidates should be able to:

Evaluate the needs of complex clients and recommend appropriate solutions based upon detailed understanding and analysis of the:

1. Basic structure of the tax system and self assessment;
2. Main personal taxes on income and capital that may be charged on individuals during life and on death, the self assessment system and how tax liabilities are computed;
3. Tax treatment of main social security benefits and interaction with other sources of income;
4. National Insurance, how it is calculated and applied;
5. Tax treatment of different kinds of investments;
6. Impact of residence and domicile on an individual's liability to UK tax;
7. Legal principles associated with the creation and management of a trust;
8. Main types and uses of trusts that are common in the UK and the duties, powers and responsibilities of trustees;
9. Powers of Attorney including different types of power of attorney, the procedures for establishing a Power of Attorney and the implications of doing so;
10. Consequences of making a Will and dying intestate;
11. Bankruptcy; rules and the role of the trustee in bankruptcy;
12. Taxation considerations relevant to trusts.

Entry guidance

It is assumed that the candidate already has the knowledge gained from a study of units R03 Personal taxation, J02 Trusts, elements of R05 or equivalent.

Important notes

- **This syllabus will be examined in the October 2014 and April 2015 sessions. Candidates will be examined on the basis of English law and practice in the tax year 2014/2015 unless otherwise stated.**
- **The general rule is that exams are based on the English legislative position three months before the date of the exams.**
- **Candidates should refer to the CII website for the latest information on changes to law and practice and when they will be examined:**
 - 1) Visit www.cii.co.uk/qualifications
 - 2) Select the appropriate qualification
 - 3) Select your unit on the right hand side of the page

Reading list

The following list provides details of various publications which may assist with your studies.

These will help candidates keep up-to-date with developments and will provide a wider coverage of syllabus topics.

Note: The examination will test the syllabus alone.

The reading list is provided for guidance only and is not in itself the subject of the examination.

CII/Personal Finance Society members can borrow most of the additional study materials below from Knowledge Services.

CII study texts can be consulted from within the library. For further information on the lending service, please go to www.cii.co.uk/knowledge.

CII study texts

Trusts. London: CII. Study text J02.

Personal taxation. London: CII. Study text R03.

Financial protection. London: CII. Study text R05.

Personal tax and trust planning. London: CII. Case study workbook AF1.

All the above texts are included as electronic resources within AF1 RevisionMate (www.revisionmate.com).

Additional reading

Additional reading materials are available through the library or on the Knowledge Services website.

New materials are added frequently – for information about new books and articles in your area of interest, please visit www.cii.co.uk/knowledge or email knowledge@cii.co.uk.

Books (and ebooks)

Capital Gains Tax calculations. Sarah Dingley-Brown. Totnes, Devon; SDB training. Annual.

Financial calculations. Sarah Dingley-Brown.

Totnes, Devon; SDB training. Annual.

The investments suite. Sarah Dingley-Brown. Totnes, Devon; SDB training. Annual.

The tax and trusts suite. Sarah Dingley-Brown. Totnes, Devon; SDB training. Annual.

Booth and Schwarz: residence, domicile and UK taxation.

The Financial Times guide to investing. Glen Arnold.

FT Prentice Hall, 2010. Available online via www.cii.co.uk/knowledge (CII/Personal Finance Society members only).

Core tax annuals, 6v (Capital Gains Tax; Corporation Tax; Income Tax; Inheritance Tax; Trusts and estates; Value-Added Tax). Various authors. Haywards Heath, West Sussex: Bloomsbury Professional. Annual. Available online via www.cii.co.uk/knowledge (CII/Personal Finance Society members only).

Ray & McLaughlin's practical inheritance tax planning. Toby Harris, Mark McLaughlin, Ralph Ray. 11th ed. Haywards Heath, West Sussex: Tottel, 2013.

Personal financial planning manual. Haywards Heath: Bloomsbury Professional. Annual. Tolley's expatriate tax planning. Amanda Sullivan. London: LexisNexis. Annual.

Wealth management planning: the UK tax principles. Malcolm James Finney. London: Wiley, 2008.

Journals and magazines

Financial adviser. London: FT Business. Weekly. Also available online at www.ftadviser.com.

Financial times. London: Financial Times. Daily. Also available online at www.ft.com.

Financial solutions. London: Personal Finance Society. Six issues a year. Also available online via www.cii.co.uk/knowledge (CII/Personal Finance Society members only).

Money management. London: FT Business. Monthly.

Money marketing. London: Centaur Communications. Weekly. Also available online at www.moneymarketing.co.uk.

Further articles and technical bulletins are available at www.cii.co.uk/knowledge (CII and Personal Finance Society members only).

Reference materials

Lamont's glossary: the definitive plain English money and investment dictionary. Barclay W Lamont. 10th ed. London: Taxbriefs, 2009. Also available online at www.cii.co.uk/knowledge (CII/Personal Finance Society members only).

The professional adviser's factfile. Taxbriefs. London: Taxbriefs. Looseleaf.

St James's Place tax guide. Walter Sinclair. Basingstoke, Hampshire: Palgrave Macmillan. Annual.

Tolley's tax guide. Arnold Homer, Rita Burrows. London: LexisNexis Butterworths. Annual.

Tolley's tax planning. London: LexisNexis. Annual.

Zurich tax handbook. A Foreman, G Mowles. Harlow [Essex]: Pearson Education. Annual.

Examination guides

Guides are produced for each sitting of written answer examinations. These include the exam questions, examiners' comments on candidates' performance and key points for inclusion in answers.

You are strongly advised to study guides for the last two sittings. Please visit www.cii.co.uk to buy online or contact CII Customer Service for further information on +44 (0)20 8989 8464.

Alternatively, if you have a current study text enrolment, the latest exam guides are available via www.revisionmate.com.

Older examination guides are available (for members only) via www.cii.co.uk/knowledge.

Exam technique/study skills

There are many modestly priced guides available in bookshops. You should choose one which suits your requirements.