Personal tax and trust planning

CII

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 and understanding

It is assumed that the candidate already has the knowledge and application skills gained from a study of units J01 Personal tax and J02 Trusts of the Diploma in Financial Planning or R03 Personal taxation of the Diploma in Regulated Financial Planning.

Important notes

- **This syllabus will be examined in the October 2011 and April 2012 sessions. Candidates will be examined on the basis of English law and practice in the tax year 2011/2012 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 update website www.cii.co.uk/updates for the latest information on changes to law and practice and when they will be examined.**

Reading list

The following list provides details of various publications which may assist with your studies. Periodicals and publications will be of value in ensuring candidates keep up to date with developments and in providing a wider coverage of syllabus topics. Any reference materials cited are authoritative, detailed works which should be used selectively as and when required.

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.knowledge.cii.co.uk/library/services.

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

Additional reading

Capital Gains Tax calculations. Totnes, Devon: SDB Training. Annual.

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.knowledge.cii.co.uk (CII/Personal Finance Society members only).

Inheritance Tax: a step by step practical approach. Totnes, Devon: SDB Training. Annual.

Ray & Mclaughlin's practical Inheritance tax Planning. Toby Harris, Mark McLaughlin, Ralph Ray. 8th ed. Haywards Heath, West Sussex: Tottel, 2010.

Income Tax calculations: a step by step practical approach. Totnes, Devon: SDB Training. Annual.

Personal tax. London: CII. Study text J01.

Trusts. London: CII. Study text J02.

Personal financial planning manual. Haywards Heath: Bloomsbury Professional. Annual.

Tax planning. Sonia Gable (ed.). London: Taxbriefs. Annual

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

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.knowledge.cii.co.uk (CII/Personal Finance Society members only).

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.

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

Periodicals

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.knowledge.cii.co.uk (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.

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

Exam technique/study skills

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