

PRACTICE AND REVISION KIT For exams in June 2017, September 2017, December 2017 and March 2018

Updated: 25 November 2016

7 Cate and Ravi (06/15)

Ravi:

Replace fourth bullet point as follows:

- Realises chargeable gains each year from disposals of UK residential property equal to the capital gains tax annual exempt amount.

29 Bond Ltd group (12/14)

Email from your manager

Replace first paragraph of section (a) as follows:

(a) Corporation tax liability of Bond Ltd

Calculate the corporation tax liability of Bond Ltd for the six months ended 30 September 2017 based on the information provided by Mr Stone. You should review Mr Stone's capital allowances figure of £180,000 and assume the company will claim the maximum possible rollover relief.

Marks for part (b) should be 5 marks, not 4 marks.

Marks for part (c) should be 4 marks, not 5 marks.

Answer to 29 Bond Ltd group (12/14)

Marking guide

Part (b)

Add 1 additional mark for 'Phasing in of scheme', total marks for part (b) are now 5 marks.

Part (c)

Maximum 4 marks.

Answer to part (b)

Add following additional paragraph at end of part (b):

In FY 2016, only 90% of the profits within the patent box are taxed at the effective 10% rate. In FY2017, all the profits within the patent box will be taxed at an effective 10% rate.