

QUESTION BANK – AQ13

11/2016

Task 3.20

Task 3.20

Selina is employed by JKL Ltd. She gives you with the following information about money she has received from her employer, and expenditure that she has incurred in relation to her employment in 2016/17:

Second sentence should read: "She gives you the following information..."

Task 3.24

Task 3.24

Tick to show how the payroll deduction scheme works.

	✓
The employer deducts the contribution after calculating income tax under PAYE.	
The employer deducts basic rate tax from the contribution and the employee gets higher rate relief by extending the basic rate band in the tax computation.	
The employer deducts the contribution before calculating income tax under PAYE.	
The employer deducts basic rate tax from the contribution and there is no higher rate tax relief.	

The requirement should say "...the payroll deduction scheme for occupational pensions works."

Task 3.27

The solution needs amending; boxes 16 and 17 should not have an entry as this reimbursement is now exempt

Task 3.27

Name	Jill Gilks
Box 1	60000.00
Box 2	13900.00
Box 5	Beata plc
Box 9	5200.00
Box 10	2000.00
Box 16	2250.00
Box 17	2250.00
Box 19	225.00

Task 4.5

Task 4.5

Sinead starts to let out property on 1 July 2016.

- (1) On 1 July 2016, she lets a house which she has owned for several years. The tenant is required to pay annual rent of £8,000, quarterly in advance. The house is let unfurnished. She incurs total allowable expenses of £1,200 in relation to this letting.
- (2) On 1 December 2016, she lets out a house which she has bought. The tenant pays annual rent of £450 per month, payable on the first of each month. The house is let unfurnished. She incurs total allowable expenses of £2,000 in relation to this letting.

Sinead's property income for 2016/17 is:

£	
---	--

.....

In property (2) the question should say – The tenant pays rent of £450 per month (the word 'annual' is incorrect and needs to be removed).

Task 5.6

Task 5.6 (1) shows the net income is £102,000 but the workings show £101,100. The correct answer is £101,100.

PTAX AQ2016 QB – Errata on practice assessments

PA1

Task 7 solution

Insert the words 'day before the' before 'actual date of payment' in line 2 here

Late payment

The £800 should have been paid by 31 January 2017. Interest would be incurred from the due date of payment to the actual date of payment. A penalty will also be imposed, being 10% of the tax outstanding as it is more than six months late.

Task 10

The date 31.09.16 should be replaced with 30.09.16. This also applies to the solution.

PA2

Task 3(b)

Delete the word 'same' from statement 2 (this applies to the solution as well)

	✓
The property is furnished	
The property must be actually let for at least 105 days during the same tax year	
The property must be available for letting to the public as holiday accommodation for at least 210 days in the tax year	
The property must be situated in the UK	

.....

PA3

Task 2(a)

Change requirement so it states '....the following benefits as a result...'

Task 5(a)

Remove the section at the end of (4) referring to a dispensation in force. FA16 removed the dispensation regime. This should be removed from the solution too. Replace with 'This is exempt as the reimbursement is covered by an allowable deduction'.

PA4

Task 3(c) Replace 2015/16 with 2016/17

- (c) Hero lets out a room in her main residence throughout 2016/17. The tenant pays her £50 per week. Hero estimates that she incurs extra costs of £9 per week in relation to the letting. Hero has not made any elections in relation to the letting.

Hero's taxable property income profit/(loss) for ~~2015/16~~ is:
