CII

Personal tax and trust planning

Learning Outcomes

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

Evaluate the complex needs of 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 calculated and applied;**
3. **Tax treatment of different kinds of investments;**
4. **Impact of residence and domicile on an individual's liability to UK tax;**
5. **Legal principles associated with the creation and management of a trust;**
6. **Main types and uses of trusts that are common in the UK and the duties, powers and responsibilities of trustees;**
7. **Implications of substituted decision making, to include types of Power of Attorney and other support whilst living, and the use of Wills and the consequences of dying intestate;**
8. **Bankruptcy; rules and the role of the trustee in bankruptcy;**
9. **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 2016 and April 2017 sessions.**
- **Candidates will be examined on the basis of English law and practice in the tax year 2016/2017 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**

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Reading list

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

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.

The publications will help you keep up-to-date with developments and will provide a wider coverage of syllabus topics.

CII/PFS members can borrow most of the additional study materials below from Knowledge Services. CII study texts can be consulted from within the library.

New materials are added frequently - for information about new releases and lending service, please go to www.cii.co.uk/knowledge or email knowledge@cii.co.uk.

CII study texts

Financial protection. London: CII. Study text R05.

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

Personal taxation. London: CII. Study text R03.

Trusts. London: CII. Study text J02.

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

Books

A modern approach to lifetime tax planning for private clients (with precedents). Christopher Whitehouse, Lesley King. Bristol: Jordans, 2014.

Booth and Schwarz: residence, domicile and UK taxation. Jonathan Schwarz. 18th ed. Bloomsbury Professional, 2014.

Capital gains tax calculations. Sarah Dingley-Brown. Annual. Totnes, SDB Training.

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.

Financial calculations. Sarah Dingley-Brown. Annual. Totnes, SDB Training.

Ray & Mclaughlin's practical inheritance tax planning. 12th ed. Toby Harris, Mark McLaughlin, Ralph Ray. Haywards Heath, West Sussex: Tottel, 2015.

The investments suite. Sarah Dingley-Brown. Annual. Totnes, SDB Training.

The tax and trusts suite. Sarah Dingley-Brown. Annual. Totnes, SDB Training.

Financial planning with trusts. John Wooley. 4th edition. Chester: Claritax Books, 2015.

The Financial Times guide to investing. 3rd edition. Glen Arnold. FT Prentice Hall, 2014.

Trust taxation and estate planning. Emma Chamberlain and Chris Whitehouse. 4th ed. London: Thomson Reuters, 2014.

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: CII. Six issues a year. Also available at www.thepfs.org/knowledge (CII/PFS members only).

Money management. London: FT Business. Monthly. Also available via www.ftadviser.com.

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/PFS members only).

Reference materials

Harriman's financial dictionary: over 2,600 essential financial terms. Edited by Simon Briscoe and Jane Fuller. Petersfield: Harriman House, 2007.*

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

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

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

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

Tolley's expatriate tax planning. Amanda Sullivan. London: LexisNexis. Annual.

Tolley's income tax. David Smailes, Rebecca Benneyworth. London: Lexis Nexis. Annual.

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

* Also available as an ebook through Discovery via www.cii.co.uk/discovery (CII/PFS members only).

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 from 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 guides are available via www.cii.co.uk/pastexamguides (CII/PFS members only).

Exam technique/study skills

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

The Insurance Institute of London holds a lecture on revision techniques for CII exams approximately three times a year. The slides from their most recent lectures can be found at www.cii.co.uk/iilrevision (CII/PFS members only).