Personal tax and trust planning

Chartered Insurance Institute

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. Process by which both individuals and parties to a trust are taxed;
2. Taxes on income and capital that may be charged during life and on death, the self-assessment system and how tax liabilities are calculated and applied to both individuals and trusts;
3. Tax treatment of different kinds of investments;
4. Impact of residence and domicile on an individual's liability to UK tax;
5. Creation and use of trusts and the roles and responsibilities of all parties;
6. Implications of substituted decision making during lifetime, the use of Wills, the administration of an estate and dying intestate.

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 Financial protection or equivalent.

Important notes

- This syllabus will be examined in the October 2020 and April 2021 sessions.
- Candidates will be examined on the basis of English law and practice in the tax year 2020/2021 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 further reading 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 resources listed here will help you keep up-to-date with developments and provide a wider coverage of syllabus topics.

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/eBooks

Booth and Schwarz: residence, domicile and UK taxation. Jonathan Schwarz. 20th ed. Bloomsbury Professional, 2018.

Equity and trusts. Alastair Hudson. 9th ed. London: Routledge-Cavendish, 2016/2017.

Mastering financial calculations: a step-by-step guide to the mathematics of financial markets instruments. 3rd ed. Bob Steiner. Harlow: FT Prentice Hall, 2012. *

Journals and magazines

Financial adviser. London: FT Business. Weekly. Available online at *www.ftadviser.com*.

Financial times. London: Financial Times. Daily. Available online at *www.ft.com*.

Personal finance professional (previously Financial solutions). London: CII. Six issues a year.

Money management. London: FT Business. Monthly. Available online *www.ftadviser.com/brand/money-management*.

Money marketing. London: Centaur Communications. Weekly. Available online at *www.moneymarketing.co.uk*.

Further articles and technical bulletins are available at *https://www.cii.co.uk/knowledge-services/* (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.*

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).

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