Chartered Insurance Institute

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. **Structure of the tax system and self-assessment;**
2. **Main 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;**
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 and the duties, powers and responsibilities of all parties to a trust;**
7. **Implications of substituted decision making, to include types of Power of Attorney and other support whilst living, the use of Wills, the administration of an estate and the consequences of dying intestate;**
8. **Rules of bankruptcy 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 2018 and April 2019 sessions.**
- **Candidates will be examined on the basis of English law and practice in the tax year 2018/2019 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 additional resources 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 resourcess listed here will help you keep up-to-date with developments and provide a wider coverage of syllabus topics.

CII/PFS members can access most of the additional study materials below via the Knowledge Services webpage at www.cii.co.uk/knowledge.

New resources are added frequently - for information about obtaining a copy of an article or book chapter, book loans, or help finding resources , 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/eBooks

A modern approach to lifetime tax planning for private clients (with precedents). Christopher Whitehouse, Lesley King. Bristol: Jordans, 2016.

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

Capital gains tax calculations. Sarah Dingley-Brown. Totnes: SDB Training, 2015.

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.

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

Financial calculations. Sarah Dingley-Brown. 2015. Totnes, Devon: SDB Training.

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

Ray & Mclaughlin's practical inheritance tax planning. 14th ed. Toby Harris, Mark McLaughlin, Ralph Ray. Haywards Heath, West Sussex: Bloomsbury, 2017.

The tax and trusts suite. Sarah Dingley-Brown. Totnes, Devon: SDB Training, 2015.

Financial planning with trusts: 2017/18 edition. John Wooley. Chester: Claritax Books, 2017.

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. 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. Available online at www.thepfs.org/financial-solutions-archive (CII/PFS members only).

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 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 financial glossary: the definitive plain English money and investment dictionary. Barclay W Lamont. 10th ed. London: Taxbriefs, 2009.

Tolley's tax guide. Claire Hayes, Ruth Newman, Chris Jones. London: LexisNexis Tolley. Annual.

Tolley's tax planning. Rebecca Forster. 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.

* 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/past-exam-guides (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).

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