

Business Tax



Mapping of your evidence to outcomes and criteria

Title (and reference number)		Principles of Business Tax (K)			
Level 4					
Learning outcomes – learners will:		Assessment criteria – learners can:		Your evidence*	Assessor (tick)
1	Understand the impact of legislation and legislative changes.	1.1	Identify the relevant tax authority legislation and guidance.		
		1.2	Explain the system of penalties and interest as it applies to income tax, corporation tax and capital gains tax.		
2	Understand tax law and its implications for unincorporated businesses.	2.1	Describe the main regulations relating to disallowed expenditure.		
		2.2	Explain the basis of assessment for unincorporated businesses.		
		2.3	Explain the availability and types of capital allowances.		
		2.4	Identify alternative loss reliefs, demonstrating how best to utilise that relief.		
		2.5	Explain the basic allocation of trading profits between partners.		
		2.6	Explain the self assessment process including payment of tax and filing of returns for unincorporated businesses.		
		2.7	Identify due dates of payments, including payments on account.		
3	Understand tax law and its implications for incorporated businesses.	3.1	Explain the calculation of corporation tax payable by different sizes of companies including those with associated companies.		
		3.2	Identify alternative loss reliefs for trading losses, demonstrating how best to utilise that relief.		
		3.3	Identify the amount of corporation tax payable and the due dates of payment, including instalments.		

4	Understand how to treat capital assets.	4.1	Identify capital gains exemptions and reliefs on assets.		
		4.2	Identify correctly the methods in which chargeable assets can be disposed of.		
		4.3	Identify the rate of tax payable on gains on capital assets disposed of by individuals and entitlement to relevant reliefs.		

*You can use a number of different types of evidence to demonstrate your competence, for example a letter, excel spreadsheet, report or witness testimony. Your training provider will be able to give you guidance so it is important that you discuss it with them. As you may be referring to an individual piece of evidence more than once in your evidence summary you will need to cross reference all pieces of evidence by giving each a unique number and refer to page number, paragraph number etc. This number should be included in the evidence document name when you submit it.

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Mapping of your evidence to outcomes and criteria

Title (and reference number)		Calculating Business Tax (\$)			
Level 4					
Learning outcomes – learners will:		Assessment criteria – learners can:		Your evidence*	Assessor (tick)
1	Prepare the relevant pages of a tax return for an unincorporated business and accurately produce the computations to support this.	1.1	Adjust trading profits and losses for tax purposes.		
		1.2	Apply the basis of assessment for unincorporated businesses, including opening and closing years and overlap profits.		
		1.3	Classify expenditure on capital assets in accordance with the statutory distinction between capital and revenue expenditure.		
		1.4	Prepare computations of capital allowances.		
		1.5	Make adjustments for private use of assets by owners		
		1.6	Divide profits and losses of partnerships amongst partners.		
		1.7	Prepare computations to show the changes in partnership structure for new partners and departing partners.		
		1.8	Calculate the national insurance contributions payable by self-employed persons.		
		1.9	Identify and value correctly any chargeable assets that have been disposed of and calculate the chargeable gain/or allowable loss and relevant reliefs as applicable under current tax law; and calculate the tax liability.		
		1.10	Complete the self-employed or partnership supplementary pages of the		

			tax return for individuals, and submit them within statutory time limits.		
2	Correctly complete corporation tax returns with all supporting computations for incorporated businesses.	2.1	Adjust trading profits and losses for tax purposes.		
		2.2	Classify expenditure on capital assets in accordance with the statutory distinction between capital and revenue expenditure.		
		2.3	Prepare computations of capital allowances.		
		2.4	Enter adjusted trading profits and losses, capital allowances, investment income and capital gains in the corporation tax computation.		
		2.5	Calculate profits chargeable to corporation tax, and other relevant figures, as it applies to companies with periods longer or shorter than 12 months.		
		2.6	Calculate corporation tax payable, taking account of marginal relief and associated companies.		
		2.7	Complete corporation tax returns correctly and submit them within statutory time limits.		
		2.8	Identify and value correctly any chargeable assets that have been disposed of and calculate the chargeable gain/or allowable loss and relevant reliefs as applicable under current tax law.		

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