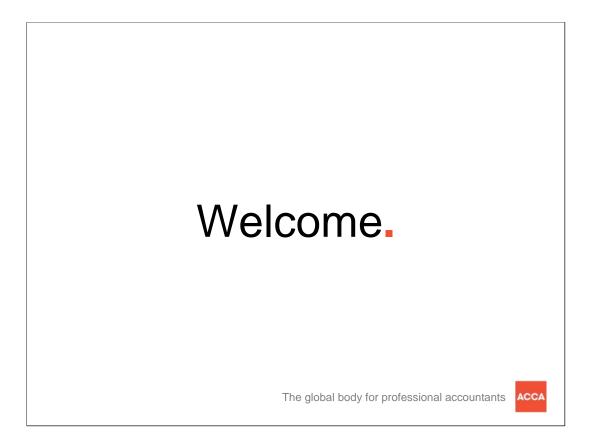




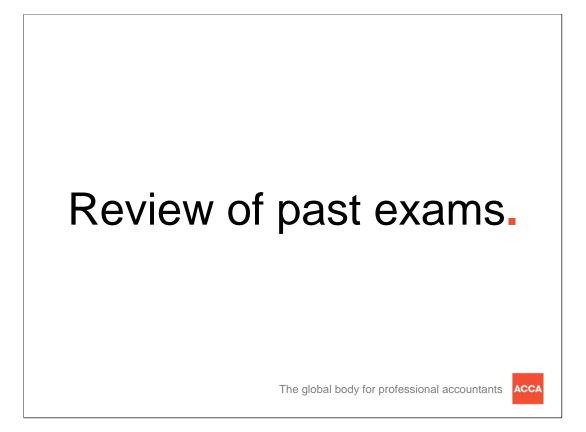
As you may know already my name is Delma Carey, I have been the examiner for the F6 Taxation (Irish variant) paper since December 2008.



I would like to thank the educators for taking the time to come here today. I hope you will find the session informative and I am certain that it will be mutually beneficial.



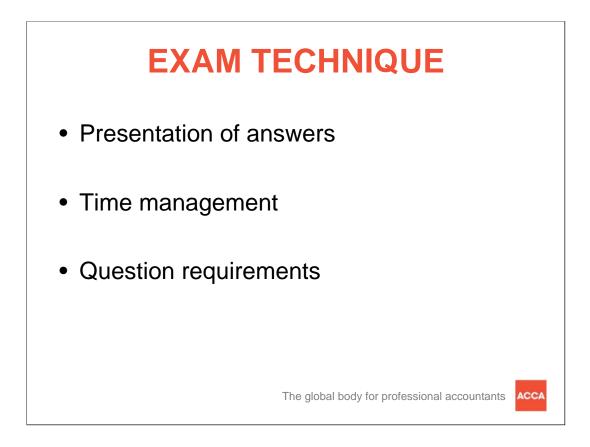
I would like to welcome Karen Yates , Head of Education - Europe for ACCA.



I will review the past four exam papers from December 2009 to June 2011 in terms of student performance.



I will cover what was done well for exam technique and for technical knowledge.



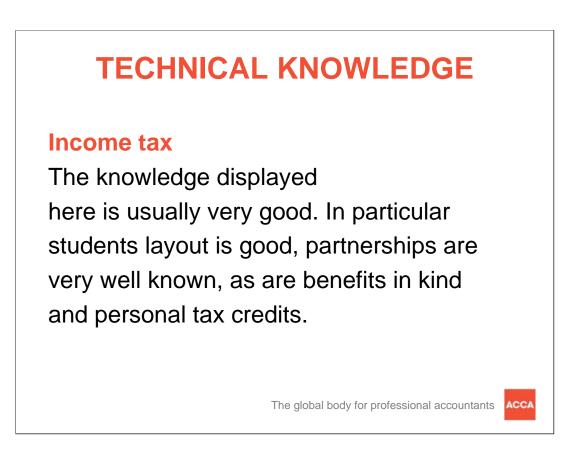
Overall, student performance has been very good in recent sittings with the Irish pass rate being very favourable when compared with the global pass rate. There was a noticeable dip in the standard of performance at the December 2010 sitting.

In terms of the presentation of answers by candidates, the following points can be made:

- candidates are attempting the requisite number of questions, there is no evidence of difficulty in completing their responses within the timeframe available,

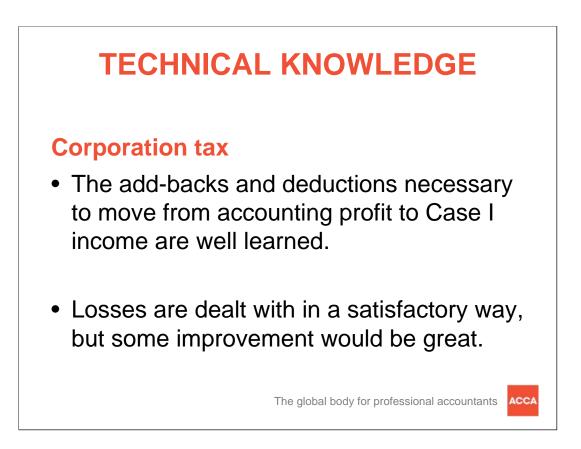
- the layout of answers has been good from the beginning and this continues to be the case. Workings are set out in an organised manner, the only exception perhaps being with the layout of solutions to losses questions.

- Candidates are addressing the full number of requirements in the question thereby accessing the maximum marks available for each question.



It is important that all students classify income as to its source.

I appreciate the time taken to teach and learn commencements and cessations of trade, as well as capital allowances. These areas are core to any income tax computation and as such are core knowledge.



This question is usually answered well, the only session in which it caused any problems was when the accounting period was more than 12 months long.



Overall the standard of answering computational type questions is very good.

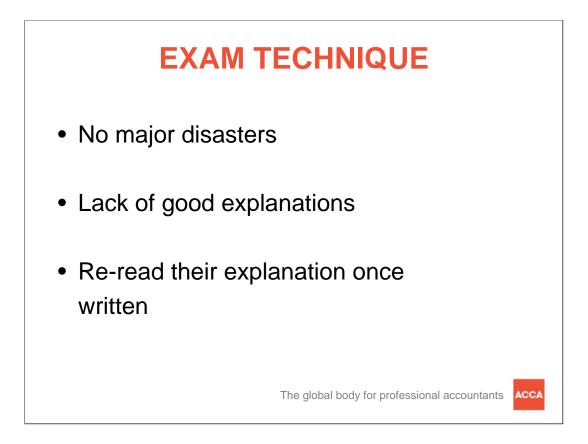
When the question requires a theory answer, such as the rules where Irish property is disposed of by a non resident person, the number of candidates answering this well will generally be fewer.

TECHNICAL KNOWLEDGE

• Value added tax (VAT), has to date been answered well. Changes to the syllabus requires candidates to know the EU intercommunity transactions rules as well as import and export rules.



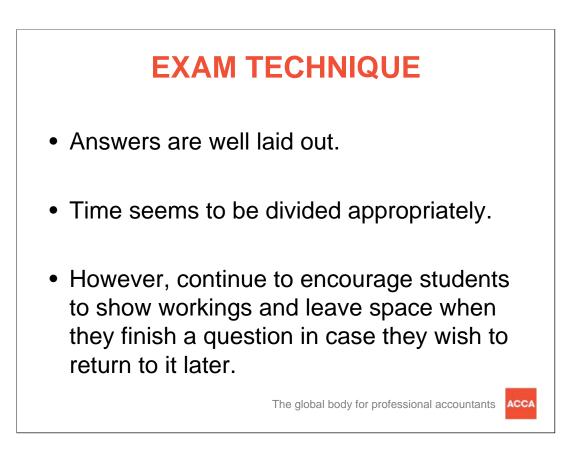
Now what wasn't done as well. Again I will cover exam technique and technical knowledge.

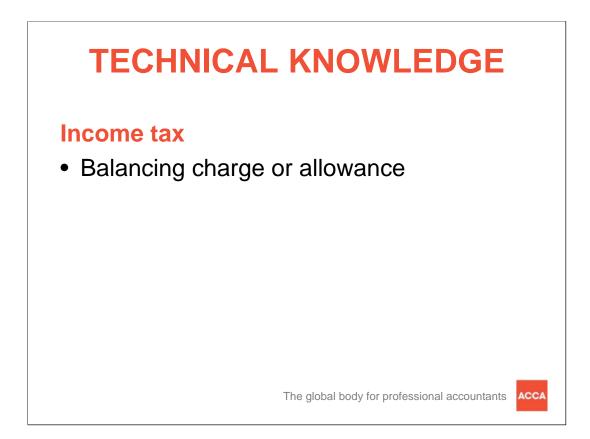


There were no major disasters over the past few sittings.

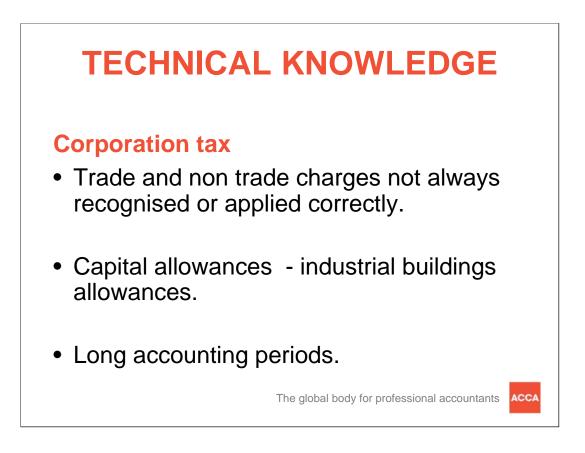
As the paper is mostly computational when the candidates are required to explain a rule they often don't explain it well.

It would be a good idea for them to re-read their explanation once written and ask themselves does it really say what they want it to.





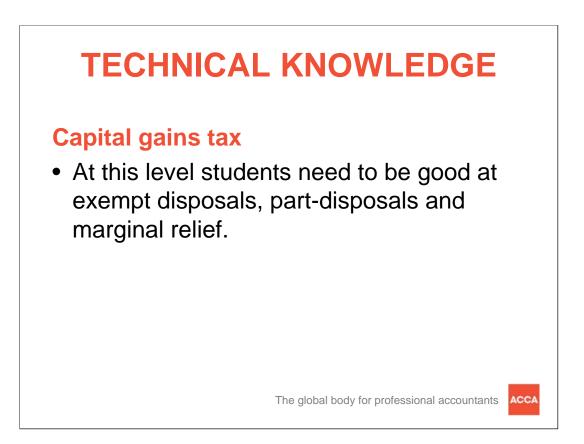
Not all students know how to calculate a balancing charge or allowance.



Trade and non-trade charges are not always recognised or applied correctly.

Capital allowances will also be examined here, students need to spend more time on industrial buildings allowances.

As mentioned before, students struggled more when the accounting period was more than 12 months long.

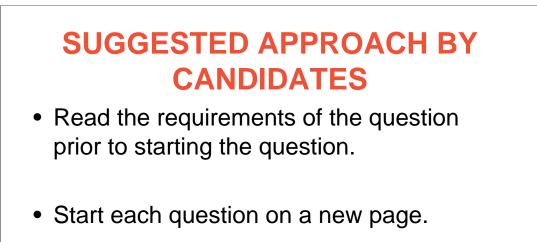


Knowledge and understanding of disposals could be better.

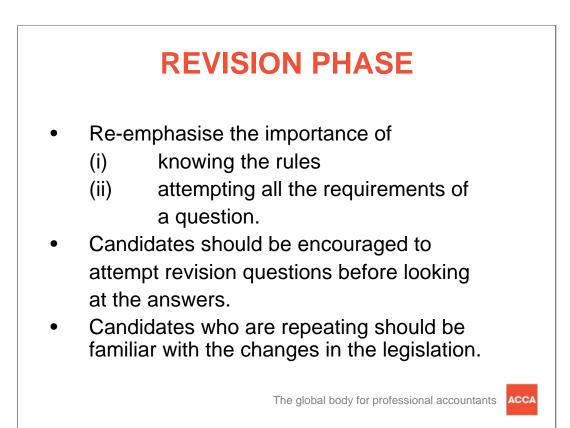
As mentioned before, fewer students will answer the theory parts of capital gains tax well.

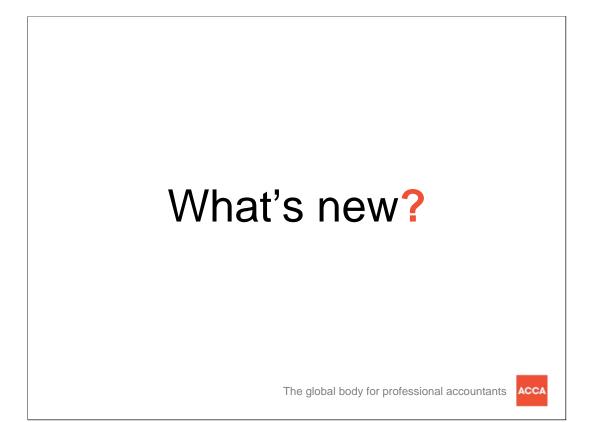


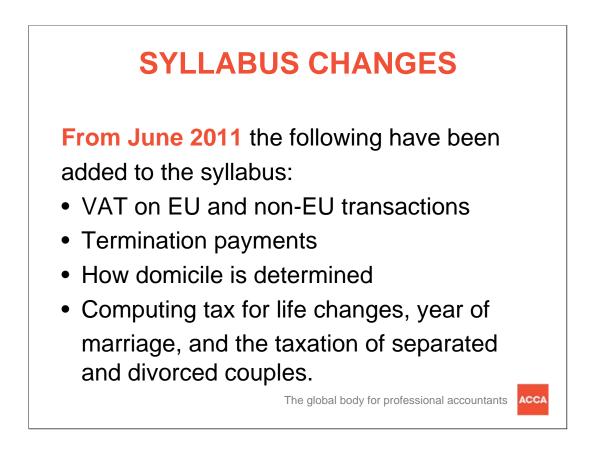
You can provide help at both the teaching phase and on the revision phase.



• Leave space at end of question to return later if time allows.

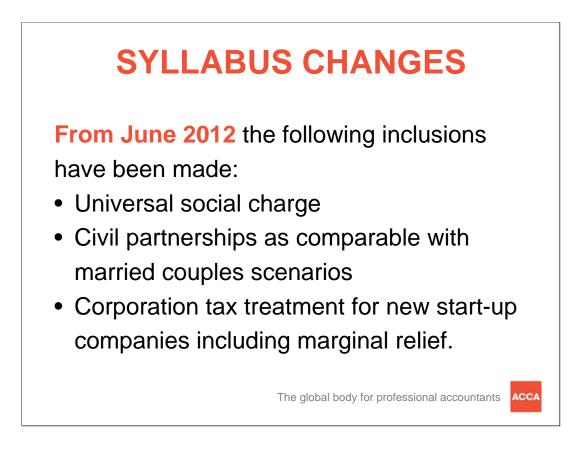






Year of death is not currently examinable and the impact of foreign service on termination payments is not examinable either.

Income levy had been included as examinable in 2011 but is removed again due to the abolition of the Income levy from 1 January 2011.



Civil partnerships will be examined in so far as they are mirror images of what is examinable for married couples.

SYLLABUS DELETIONS

From June 2011 onwards the following were removed from the syllabus:

- The capital gains tax treatment of assets destroyed or lost where insurance proceeds are received
- Retirement relief and favourable holding company relief
- Clarification that capital goods scheme for VAT on property is excluded.

SYLLABUS DELETIONS

From June 2012 the following deletions have been made:

- There is no reference in the syllabus to Manufacturing relief
- Levies have been replaced with USC
- Income levy has been abolished

SYLLABUS

From June 2012 the following deletions have been made:

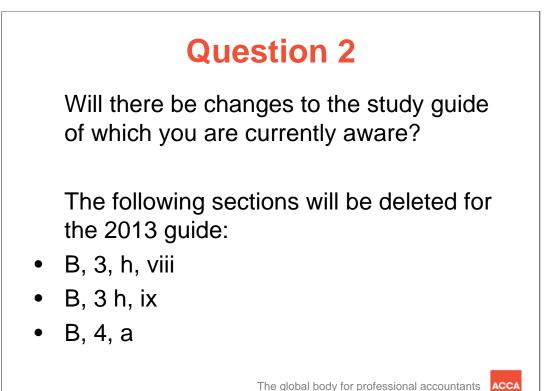
- There is no reference in the syllabus to Manufacturing relief
- Levies have been replaced with USC
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Questions raised at presentation

 What is the scope of RCT as set out in B 3 l, of the study guide?

This section requires the student to know:

- What RCT is
- Who is a principal contractor
- Fundamentals of how the system works
- Rates of RCT that apply



Where short lived business is examined, will it include losses?

Yes, where a short lived business is examined, losses could be incorporated into the question.

B 3 h (viii) of the study guide, refers to Urban renewal relief, will clawback on urban renewal relief be examined?

I do not intend to examine urban or rural renewal relief and will delete the reference to this section in the 2013 study guide.

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Would it be possible to restrict the examination on the restriction of loss relief due to late filing to a theory question?

Yes, it is felt that a theoretical knowledge of this area, at F6 level, is satisfactory.

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Where a company is claiming loss relief, will trade charges be incorporated in this question?

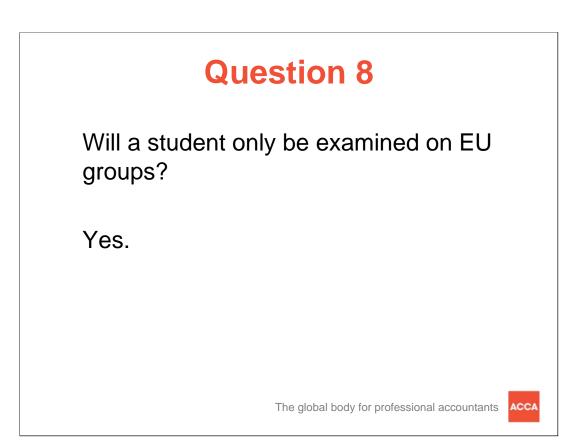
Yes, it is felt that students should know how loss relief is applied, while at the same time claiming relief for trade charges.

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Where the study guide refers to how exemptions and reliefs can be used to minimise tax liabilities, could you explain what is meant by this?

As tax planning, per se, is outside the scope of this syllabus, a student may be asked to explain how a particular relief applies, the student will always be guided as to the relief.



Will students be expected to deal with group losses of companies where the accounting periods are different?

Yes, students would be expected to have an understanding of how loss relief should be adjusted where accounting periods do not correspond. Students would also be expected to deal with notional accounting periods for companies entering or leaving the group.

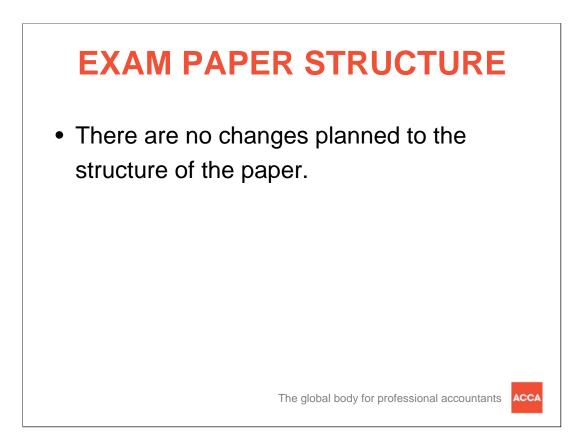
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Will students be expected to calculate double taxation relief for withholding tax and underlying tax.

Students will be expected to understand double taxation relief and how such relief is given. They will not be expected to calculate the underlying tax.





The structure of the exam paper will continue in its current form. There are no planned changes.

While the marks potentially attributable to question 1 and 2 can vary between 25 and 30 marks. Capital gains tax must have at least 20 marks, and VAT must have at least 10 marks on the overall paper.

Some sessions will see VAT question at 10 marks while others will see it at 15 marks.

In light of the current economic situation, it is likely that we will see significant changes in the next few finance acts with the possibility of removal of existing tax reliefs/allowances. The syllabus is reviewed annually and adjustments will be made on an ongoing basis to reflect these changes.

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