



ACCA

# Advanced Taxation – Ireland (ATX-IRL)

Syllabus and study guide

June and December 2019

Think Ahead

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## 1. Intellectual levels

The syllabus is designed to progressively broaden and deepen the knowledge, skills and professional values demonstrated by the student on their way through the qualification.

The specific capabilities within the detailed syllabuses and study guides are assessed at one of three intellectual or cognitive levels:

Level 1:	Knowledge and comprehension
Level 2:	Application and analysis
Level 3:	Synthesis and evaluation

Very broadly, these intellectual levels relate to the three cognitive levels at which the Applied Knowledge, the Applied Skills and the Strategic Professional exams are assessed.

Each subject area in the detailed study guide included in this document is given a 1, 2, or 3 superscript, denoting intellectual level, marked at the end of each relevant line. This gives an indication of the intellectual depth at which an area could be assessed within the examination. However, while level 1 broadly equates with Applied Knowledge, level 2 equates to Applied Skills and level 3 to Strategic Professional, some lower level skills can continue to be assessed as the student progresses through each level. This reflects that at each stage of study there will be a requirement to broaden, as well as deepen capabilities. It is also possible that occasionally some higher level capabilities may be assessed at lower levels.

## 2. Learning hours and educational recognition

The ACCA qualification does not prescribe or recommend any particular number of learning hours for examinations because study and learning patterns and styles vary greatly between people and organisations. This also recognises the wide diversity of personal, professional and educational circumstances in which ACCA students find themselves.

As a member of the International Federation of Accountants, ACCA seeks to enhance the education recognition of its qualification on both national and international education frameworks, and with educational authorities and partners globally. In doing so, ACCA aims to ensure that its qualifications are recognised and valued by governments, regulatory authorities and employers across all sectors. To this end, ACCA qualifications are currently recognised on the education frameworks in several countries. Please refer to your national education framework regulator for further information.

Each syllabus is organised into main subject area headings which are further broken down to provide greater detail on each area.

### 3. Guide to ACCA examination structure

The structure of examinations varies within and between levels.

#### Applied Knowledge

The Applied Knowledge examinations contain 100% compulsory questions to encourage candidates to study across the breadth of each syllabus. These are assessed by a two-hour computer based examination.

#### Applied Skills

The *Corporate and Business Law* exam is a two-hour computer based objective test examination for English and Global. For the format and structure of the *Corporate and Business Law* or *Taxation* variant exams, refer to the 'Approach to examining the syllabus' in section 9 of the relevant syllabus and study guide.

The other Applied Skills examinations (PM, TX-UK, FR, AA and FM) contain a mix of objective and longer type response questions with a duration of three hours for 100 marks. These are assessed by a three hour computer-based exam. Prior to the start of each exam there will be time allocated for students to be informed of the exam instructions.

The longer (constructed response) question types used in the Applied Skills exams (excluding Corporate and Business Law) require students to effectively mimic what they do in the workplace. Students will need to use a range of digital skills and demonstrate their ability to use spreadsheets and word processing tools in producing their answers, just as they would use these tools in the workplace. These assessment methods allow ACCA to focus on testing students' technical and

application skills, rather than, for example, their ability to perform simple calculations.

#### Strategic Professional

*Strategic Business Leader* is ACCA's case study examination at the Strategic Professional level and is examined as a closed book exam of four hours, including reading, planning and reflection time which can be used flexibly within the examination. There is no pre-seen information and all exam related material, including case information and exhibits are available within the examination. Strategic Business leader is an exam based on one main business scenario which involves candidates completing several tasks within which additional material may be introduced. All questions are compulsory and each examination will contain a total of 80 technical marks and 20 Professional Skills marks.

The other Strategic Professional exams are all of three hours and 15 minutes duration. All contain two sections and all questions are compulsory. These exams all contain four professional marks.

For June, September and December 2019 sessions, all Strategic Professional exams will be assessed by paper based examination. From March 2020, these exams will become available by computer based examination. More detail regarding what is available in your market will be on the ACCA global website.

With Applied Knowledge and Applied Skills exams now assessed by computer based exam, ACCA is committed to continuing on its journey to assess all exams within the ACCA Qualification using this delivery mode.

The question types used at Strategic Professional again require students to effectively mimic what they would do in the workplace and, with the move to CBE, these exams again offer ACCA the opportunity to focus on the application of knowledge to scenarios, using a range of tools – spreadsheets, word processing and presentations - not only enabling students to demonstrate their technical and professional skills but also their use of the technology available to today's accountants.

ACCA encourages students to take time to read questions carefully and to plan answers but once the exam time has started, there are no additional restrictions as to when candidates may start writing in their answer books.

Time should be taken to ensure that all the information and exam requirements are properly read and understood.

The pass mark for all ACCA Qualification examinations is 50%.

## 4. Guide to ACCA examination assessment

ACCA reserves the right to examine anything contained within the study guide. This includes knowledge, techniques, principles, theories, and concepts as specified. For the financial accounting, audit and assurance, law and tax exams except where indicated otherwise, ACCA will publish *examinable documents* once a year to indicate exactly what regulations and legislation could potentially be assessed within identified examination sessions.

For most examinations (not tax), regulations **issued** or legislation **passed** on or before 31 August annually, will be examinable from 1 September of the following year to 31 August of the year after that. Please refer to the examinable documents for the exam (where relevant) for further information.

The **IRL** variant tax examinations in June and December will be based on legislation passed by the previous 30 September. i.e. June and December 2019 exams will be based on legislation passed by 30 September 2018.

Regulations issued or legislation passed in accordance with the above dates may be examinable even if the **effective** date is in the future.

The term issued or passed relates to when regulation or legislation has been formally approved.

The term effective relates to when regulation or legislation must be applied to an entity transactions and business practices.

The study guide offers more detailed guidance on the depth and level at which the examinable documents will be examined. The study guide should therefore be read in conjunction with the examinable documents list.

## 5. Relational diagram linking Advanced Taxation – Ireland (ATX-IRL) with other exams

This diagram shows links between this exam and other exams preceding or following it. Some exams are directly underpinned by other exams such as Advanced Taxation – Ireland (ATX-IRL) by Taxation – Ireland (TX-IRL).



This diagram indicates where students are expected to have underpinning knowledge and where it would be useful to review previous learning before undertaking study.

## 6. Overall aim of the syllabus

This syllabus and study guide is designed to help with planning study and to provide detailed information on what could be assessed in any examination session.

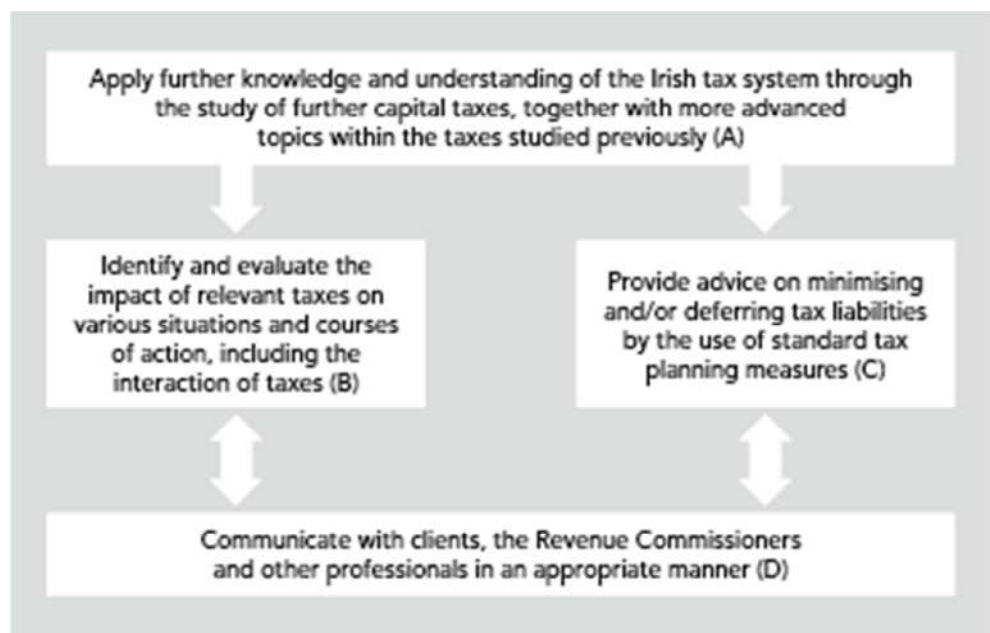
The aim of the syllabus is to apply relevant knowledge, skills and exercise professional judgement in providing relevant information and advice to individuals and businesses on the impact of the major taxes on financial decisions and situations.

## 7. Main capabilities

On successful completion of this exam, candidates should be able to:

- A Apply further knowledge and understanding of the Irish tax system through the study of further capital taxes, together with more advanced topics within the taxes studied previously
- B Identify and evaluate the impact of relevant taxes on various situations and courses of action, including the interaction of taxes
- C Provide advice on minimising and/or deferring tax liabilities by the use of standard tax planning measures
- D Communicate with clients, the Revenue Commissioners and other professionals in an appropriate manner.

### Relational diagram of main capabilities



This diagram illustrates the flows and links between the main capabilities (sections) of the syllabus and should be used as an aid to planning teaching and learning in a structured way.



## 8. Rationale

The Advanced Taxation – Ireland (ATX – IRL) syllabus further develops the key aspects of taxation introduced in the compulsory Taxation – Ireland (TX – IRL) syllabus within the Applied Skills module and extends the candidates' knowledge of the tax system, together with their ability to apply that knowledge to the issues commonly encountered by individuals and businesses; such that successful candidates should have the ability to interpret and analyse the information provided and communicate the outcomes in a manner appropriate to the intended audience.

The syllabus builds on the basic knowledge of core taxes from the earlier taxation exam and introduces candidates to additional capital taxes in the form of capital acquisitions tax and stamp duty. As this is an optional exam, aimed at those requiring/desiring more than basic tax knowledge for their future professional lives, the syllabus also extends the knowledge of income tax, corporation tax and capital gains to encompass further overseas aspects of taxation, the taxation of trusts and additional exemptions and reliefs.

Computations will normally only be required in support of explanations or advice and not in isolation.

Candidates are not expected to concentrate on the computational aspects of taxation. Instead this exam seeks to develop candidates' skills of analysis, interpretation and communication. Candidates are expected to be able to use established tax planning methods and consider current issues in taxation.

## 9. Approach to examining the syllabus

The exam consists of two sections:

Section A consists of two compulsory case-study questions. Question 1 has 35 marks, including four professional marks, and question 2 has 25 marks.

Section B consists of two compulsory 20-mark questions, covering both business and personal tax issues.

Candidates will be expected to undertake both calculation and narrative work. The questions will be scenario-based and may involve consideration of more than one tax, some elements of tax planning and the interaction of taxes.

The examination is a three-hour 15 minutes exam.

Tax rates, allowances and information on certain reliefs will be given in the examination.

### **Examinable legislation**

ACCA applies an annual cut-off date of 30 September.

For clarity, the June 2019 and December 2019 examinations will be based on Finance Act 2017.

## 10. The syllabus

### A Knowledge and understanding of the Irish tax system through the study of further capital taxes, together with more advanced topics within the taxes studied previously

1. Income and income tax liabilities in situations involving:
  - further overseas aspects
  - trusts,
  - exemptions and reliefs
2. Corporation tax liabilities in situations involving further overseas and group aspects and in relation to special types of company, and the application of additional exemptions and reliefs
3. Chargeable gains and capital gains tax liabilities in situations involving further overseas aspects and in relation to closely related persons and trusts, and the application of additional exemptions and reliefs
4. Local property tax
5. Capital acquisitions tax
6. Stamp duty
7. Social insurance, universal social charge, value added tax and tax administration

### B The impact of relevant taxes on various situations and courses of action, including the interaction of taxes

1. Taxes applicable to a given situation or course of action and their impact

2. Alternative ways of achieving personal or business outcomes may lead to different tax consequences
3. Taxation effects of the financial decisions made by businesses (corporate and unincorporated) and by individuals.
4. Tax advantages and/or disadvantages of alternative courses of action
5. Statutory obligations imposed in a given situation, including any time limits for action and the implications of non-compliance

### C Minimising and/or deferring tax liabilities by the use of standard tax planning measures

1. Types of investment and other expenditure that will result in a reduction in tax liabilities for an individual and/or a business
2. Legitimate tax planning measures, by which the tax liabilities arising from a particular situation or course of action can be mitigated
3. The appropriateness of such investment, expenditure or measures, given a particular taxpayer's circumstances or stated objectives
4. The mitigation of tax in the manner recommended, by reference to numerical analysis and/or reasoned argument
5. Ethical and professional issues arising from the giving of tax planning advice
6. Current issues in taxation

**D Communicating with clients, the Revenue Commissioners and other professionals**

1. Communication of advice, recommendations and information in the required format
2. Presentation of written information, in language appropriate to the purpose of the communication and the intended recipient
3. Conclusions reached, together where necessary with relevant supporting computations
4. Assumptions made or limitations in the analysis provided; together with any inadequacies in the information available and/or additional information required to provide a fuller analysis
5. Other non-tax factors that should be considered

## 11. Detailed study guide

### A Apply further knowledge and understanding of the Irish tax system through the study of further taxes, together with more advanced topics within the taxes studied previously

#### 1. Income tax liabilities in situations involving:

- further overseas aspects
- trusts,
- exemptions and reliefs

#### a) The contents of the Taxation – Ireland (TX – IRL) study guide for income tax, under headings:

- B1 The scope of income tax
- B2 Income from employment
- B3 Income from self-employment
- B4 Property and investment income
- B5 The comprehensive computation of taxable income and income tax liability including the universal social charge
- B6 The use of exemptions and reliefs in deferring and minimising income tax liabilities

The following additional material is also examinable:

- #### b) The scope of income tax:<sup>[3]</sup>
- i) Apply the concepts of residence, ordinary residence and domicile and advise on their relevance to income tax
  - ii) Advise on the tax position of non-resident individuals

- iii) Advise on the tax position of individuals coming to and leaving Ireland
  - iv) Determine the income tax treatment of overseas income
  - v) Understand the relevance of the OECD model double tax treaty to given situations
  - vi) Calculate and advise on the double taxation relief available to individuals
- #### c) Income from employment:<sup>[3]</sup>
- i) Advise on the tax treatment of the following share option and share incentive schemes:
    - Share option schemes
    - Approved profit sharing schemes
    - Save as you earn share option schemes and
    - Restricted share schemes
  - ii) Advise on the tax treatment of lump sum receipts
  - iii) Advise on the aspects of income from overseas employment
  - iv) Advise on the tax treatment of a foreign employment exercised in the State
- #### d) Income from self employment:<sup>[2]</sup>
- i) Compute the assessable profits on a change of accounting date
  - ii) Recognise the tax treatment of the investment income of a partnership
- #### e) Property and investment income:<sup>[3]</sup>
- i) Income from trusts and settlements: Understand the income tax position of trustees and beneficiaries
  - ii) Shares in lieu of dividend
- #### f) The comprehensive computation of taxable income and the income tax liability:<sup>[3]</sup>

- i) Determine the taxability of the income of minor children
  - ii) The treatment of married couples in the year of death
  - iii) The taxation of married couples in the year of separation.
- g) The use of exemptions and reliefs in deferring and minimising income tax liabilities: <sup>[3]</sup>
- i) Advise on the types of pension scheme to which an employed person can contribute, the reliefs available in respect of contributions and the options available on and following retirement
  - ii) Advise on the types of pension scheme to which a self-employed person can contribute, the reliefs available in respect of contributions and the options available on and following retirement
  - iii) Advise on the use of Start-up Refunds for Entrepreneurs (SURE) and Employment and Investment Incentive Scheme (EIS) relief
  - iv) Advise on the surrender of the Research and Development credit for key employees.

#### **Excluded topics**

- *Detailed double tax relief calculations for income tax purposes.*
- *Explanation of the PAYE system*
- *Capital allowances for agricultural buildings, patents, scientific research and know how*
- *Farmers stock relief, losses and averaging of profits.*
- *Details of specific anti-avoidance provisions, except as stated in the study guide*
- *The computation of income tax payable by trustees*
- *Overseas aspects of trusts*

- *Detailed knowledge of the conditions which must be met to obtain Revenue approval for an occupational pension scheme*
- *Charitable donations*
- *Social security benefits apart from the State Retirement Pension.*
- *Employee share ownership trusts*

#### **2. Corporation tax liabilities in situations involving:**

- **further overseas issues**
  - **group aspects**
  - **special types of company**
  - **exemptions and reliefs**
- a) The contents of the Taxation – Ireland (TX – IRL) study guide, for corporation tax, under headings:
- C1 The scope of company tax
  - C2 Profits chargeable to company tax
  - C3 The comprehensive computation of company tax liability
  - C4 The effect of a group structure for corporation tax purposes
  - C5 The use of exemptions and reliefs in deferring and minimising company tax liabilities.

The following additional material is also examinable:

- b) The scope of company tax: <sup>[3]</sup>
- i) Identify and calculate company tax for companies with investment business
  - ii) Close companies:
    - Apply the definition of a close company to given situations
    - Conclude on the tax implications of a company being a close company or a close service company and compute the close company surcharge

- iii) Identify and evaluate the significance of accounting periods on administration or winding up
  - iv) Conclude on the tax treatment of returns to shareholders after winding up has commenced
  - v) Advise on the tax implications of a purchase by a company of its own shares.
- c) Profits chargeable to company tax: <sup>[3]</sup>
- i) Identify qualifying research and development expenditure and determine the amount of relief
  - ii) Advise on the restriction on the use of losses on a change in ownership of a company
  - iii) Advise on carry forward of losses in the case of company reconstructions without change of ownership.
- d) The comprehensive computation of company tax liability: <sup>[3]</sup>
- i) Prepare computations involving, loss relief, group relief, close company surcharge
  - ii) Assess the impact of either the OECD model double tax treaty or the Ireland/UK tax treaty on corporation tax
  - iii) Evaluate the meaning and implications of a permanent establishment
  - iv) Advise on the tax position of overseas companies trading in Ireland
- e) The effect of a group structure for corporation tax purposes:
- i) Advise on the tax consequences of a transfer of a trade and assets where there is common control <sup>[3]</sup>
  - ii) Understand the meaning of consortium owned company and consortium member <sup>[2]</sup>
- iii) Advise on the operation of consortium relief <sup>[3]</sup>
  - iv) Determine pre-entry gains and losses and understand their tax treatment <sup>[3]</sup>
  - v) Determine the degrouping charge where a company leaves a group within ten years of receiving an asset by way of a no gain/no loss transfer <sup>[3]</sup>
  - vi) Advise on the operation of the holding company regime <sup>[3]</sup>
- Excluded topics**
- Detailed knowledge of anti-avoidance provisions (except as stated in the Study Guide)
  - Corporation tax for companies during the winding up process
  - Relief for overseas tax as an expense.
  - Detailed knowledge of specific double taxation agreements.
  - Migration of an Irish resident company.
  - Detailed computational questions involving double tax relief.
- 3. Chargeable gains and capital gains tax liabilities in situations involving:**
- further overseas aspects
  - closely related persons
  - trusts
  - exemptions and reliefs
- a) The contents of the Taxation – Ireland (TX – IRL) study guide for chargeable gains under headings:
- D1 The scope of the taxation of capital gains
  - D2 The basic principles of computing gains and losses (including gains and losses on development land)
  - D3 Gains and losses on the disposal of movable and immovable property

- D4 Gains and losses on the disposal of shares and securities
- D5 The computation of the capital gains tax payable
- D6 The use of exemptions and reliefs in deferring and minimising tax liabilities arising on the disposal of capital assets

The following additional material is also examinable:

- b) The scope of the taxation of capital gains: <sup>[3]</sup>
- i) Determine the tax implications of transfers between spouses
  - ii) Explain and apply the concepts of residence, ordinary residence and domicile and advise on their relevance to capital gains tax
  - iii) Determine the Irish capital gains tax on foreign gains, including double taxation relief
  - iv) Conclude on the capital gains tax position of individuals coming to and leaving Ireland
  - v) Determine the Irish capital gains tax position of non-residents
  - vi) Identify the occasions when a capital gain would arise on a partner in a partnership
  - vii) Capital gains tax and trusts:
    - Define settled property for CGT purposes
    - Advise on the capital gains tax implications of transfers of property into and out of a trust
- c) The basic principles of computing gains and losses: <sup>[3]</sup>
- i) Identify the circumstances when the market value rules apply
  - ii) Advise on the impact of dates of disposal and conditional contracts
- d) Gains and losses on the disposal of movable and immovable property: <sup>[3]</sup>
- i) Determine the gain on the disposal of leases and wasting assets
  - ii) Establish the tax effect of appropriations to and from trading stock
  - iii) Establish the tax effect of capital sums received in respect of the loss, damage or destruction of an asset
- e) Gains and losses on the disposal of shares and securities: <sup>[3]</sup>
- i) Apply the rules relating to reorganisations, reconstructions and amalgamations and advise on the most tax efficient options available in given circumstances
  - ii) Shares in lieu of dividends
- f) The use of exemptions and reliefs in deferring and minimising tax liabilities arising on the disposal of capital assets: <sup>[3]</sup>
- i) Apply the rules relating to retirement relief
  - ii) Establish the relief available on the transfer of a business to a company <sup>[3]</sup>
  - iii) Advise on the application of entrepreneurs' relief
  - iv) Understand the capital gains tax implications of the variation of wills and the use of deeds of family arrangement

### **Excluded topics**

- *Overseas aspects of capital gains tax and trusts*
- *Chattels where the cost or proceeds are less than €2,540.*
- *Sets of chattels.*
- *The grant of a lease or sub-lease out of a freehold, long lease or short lease.*



- *The detailed list of qualifying assets specific to the farming sector for the purposes of retirement relief.*

#### 4. Local property tax (LPT)

- a) The contents of the Taxation – Ireland (TX – IRL) study guide for chargeable gains under headings:
- E1 The scope of the taxation of residential property
  - E2 Determining who is liable to pay LPT
  - E3 The computation of LPT payable
  - E4 Alternative payment options available

#### 5. Capital acquisitions tax

- a) The scope of capital acquisitions tax:<sup>[2]</sup>
- Identify and explain the persons chargeable
  - Explain the concepts of residence, ordinary residence and domicile and understand the application of these concepts to capital acquisitions tax
- b) The basic computational principles:<sup>[3]</sup>
- State, explain and apply the meaning of gift and inheritance
  - Define, explain and apply the meaning of date of gift, date of inheritance and valuation date
  - Identify and advise on the tax implications of the location of assets
- c) The liabilities arising on gifts and inheritances taken by individuals:<sup>[3]</sup>
- Advise on the tax implications of lifetime benefits

- Advise on the tax implications of transfers within two years of death
  - Advise on the inheritance tax effects and advantages of disclaimers and deeds of family arrangement
  - Compute the tax arising on lifetime gifts and inheritances
  - Understand the inter-relationship between capital gains tax and capital acquisitions tax and compute the available set-off
- d) Computing value:<sup>[3]</sup>
- Advise on the principles of valuation
  - Advise on the tax implications of gift splitting and the free use of property
  - Understand and apply the concepts of market value, encumbrance free value and taxable value
  - Advise on the availability of business property relief and agricultural relief
  - Identify exempt benefits <sup>[2]</sup>
- e) The liabilities arising as a result of changes of interest in and capital distributions from trusts: <sup>[3]</sup>
- Define a trust <sup>[2]</sup>
  - Distinguish between an interest in possession trust and a discretionary trust
  - Advise on the capital acquisitions tax implications of transfers of property into and out of the trust
  - Advise on the capital acquisitions tax implications of the termination of the life tenant's interest
  - Understand and apply the definition of a discretionary trust
  - Advise on the advantages and disadvantages of using a discretionary trust
  - Identify the occasions when a charge to capital acquisitions

tax will arise in the case of a discretionary trust

- f) The use of exemptions and reliefs in deferring and minimising capital acquisitions tax liabilities:<sup>[3]</sup>
- i) Advise on the use of reliefs and exemptions to minimise capital acquisitions tax liabilities
- g) The system by which capital acquisitions tax is administered:
- i) Identify those responsible for the payment of capital acquisitions tax.<sup>[2]</sup>
- ii) Advise on the due dates, interest and penalties for capital acquisitions tax purposes<sup>[3]</sup>
- iii) Explain how government securities can be surrendered in payment of capital acquisitions tax.<sup>[2]</sup>
- iv) Explain how certain insurance policies can be used to pay capital acquisitions tax.<sup>[2]</sup>

**Excluded topics**

- *Valuation of an annuity or interest in possession where the trust interest is the subject of an annuity*
- *Woodlands relief*
- *Exemption for heritage property*
- *Detailed aspects of the discretionary trust levies*
- *Overseas aspects of trusts*
- *Foreign resident trusts*
- *Discretionary trusts created prior to 1 December 1999*
- *Inheriting an Approved Retirement Fund*

**6. Stamp duty**

- a) The scope of stamp duty:<sup>[3]</sup>
- i) Identify the property on which

stamp duty is payable

- b) Identify and advise on the liabilities arising on documented transfers:<sup>[3]</sup>
- i) Advise on the stamp duties payable on transfers of shares and securities
- ii) Advise on the stamp duty payable on transfers of land
- c) The use of exemptions and reliefs in deferring and minimising stamp duties:<sup>[3]</sup>
- i) Advise on group transactions.
- ii) Advise on the operation of the relief from stamp duty on reconstructions and amalgamations of companies.
- iii) Advise on the operation of the relief from stamp duty on transfers to young trained farmers.
- d) Understand and explain the systems by which stamp duties are administered.<sup>[2]</sup>

**Excluded topics**

- *Leases*
- *Detailed rules on interest and penalties*

**7. Other aspects of the Taxation – Ireland (TX – IRL) study guide included within this syllabus:**

- a) The contents of the Taxation – Ireland (TX – IRL) study guide for Social insurance and universal social charge under headings:
- F1 The scope of social insurance
  - F2 Social insurance contributions for self-employed persons and employees
  - F3 universal social charge

b) The contents of the Taxation – Ireland (TX – IRL) study guide for value added tax (VAT) under headings:

- G1 The scope of value added tax (VAT)
- G2 The VAT registration requirements:

Additional subjects included in ATX:

i) Advise on the impact of group registration.<sup>[3]</sup>

- G3 The computation of VAT liabilities:

Additional subjects included in ATX:<sup>[3]</sup>

i) Advise on the VAT implications of the supply of land and buildings in Ireland including the sale or letting of:

- a. new buildings supplied after 1 July 2008, and
- b. transitional buildings in existence at 1 July 2008
- c. the capital goods scheme

ii) Advise on the VAT implications of partial exemption

- G4 The effect of special schemes

c) The contents of the Taxation – Ireland (TX – IRL) study guide for the obligations of taxpayers and/or their agents under headings:

- A3 The systems for self assessment and the making of returns
- A4 The time limits for the submission of information, claims and payment of tax, including preliminary tax
- A5 The procedures relating to Revenue audits/enquiries, appeals and disputes.

- A6 Penalties for non-compliance

### **Excluded topics**

- *Administration of VAT, including the VAT returns and VAT periods*
- *VAT on property rules pre 1 July 2008*
- *VAT on disposal of pre 1 July 2008 properties subject to long leases*
- *The contents of a valid VAT invoice*
- *Second hand goods scheme*
- *Retailers' schemes*
- *Schemes for farmers*
- *The special place of supply rules for business to consumer supplies of telecommunications, broadcasting and e-services.*
- *Revenue audit 2002 Code of Practice*

## **B The impact of relevant taxes on various situations and courses of action, including the interaction of taxes**

**1. Identify and advise on the taxes applicable to a given course of action and their impact.<sup>[3]</sup>**

**2. Identify and understand that the alternative ways of achieving personal or business outcomes may lead to different tax consequences.<sup>[3]</sup>**

a) Calculate the receipts from a transaction, net of tax and compare the results of alternative scenarios and advise on the most tax efficient course of action.<sup>[3]</sup>

**3. Advise how taxation can affect the financial decisions made by businesses (corporate and unincorporated) and by individuals**

- a) Understand and compare and contrast the tax treatment of the sources of finance and investment products available to individuals.<sup>[3]</sup>
- b) Understand and explain the tax implications of the raising of equity and loan finance.<sup>[3]</sup>
- c) Explain the tax differences between decisions to lease, use hire purchase or purchase outright.<sup>[3]</sup>
- d) Understand and explain the impact of taxation on the cash flows of a business.<sup>[3]</sup>

**4. Assess the tax advantages and disadvantages of alternative courses of action.**<sup>[3]</sup>

**5. Understand the statutory obligations imposed in a given situation, including any time limits for action and advising on the implications of non-compliance.**<sup>[3]</sup>

### **C Minimise and/or defer tax liabilities by the use of standard tax planning measures**

- 1. Identify and advise on the types of investment and other expenditure that will result in a reduction in tax liabilities for an individual and/or a business.<sup>[3]</sup>
- 2. Advise on legitimate tax planning measures, by which the tax liabilities arising from a particular situation or course of action can be mitigated.<sup>[3]</sup>
- 3. Advise on the appropriateness of such investment, expenditure or measures given a particular taxpayer's circumstances or stated objectives.<sup>[3]</sup>
- 4 Advise on the mitigation of tax in the manner recommended by

**reference to numerical analysis and/or reasoned argument.**<sup>[3]</sup>

**5 Be aware of the ethical and professional issues arising from the giving of tax planning and financial advice.**<sup>[3]</sup>

**6. Be aware of and give advice on current issues in taxation.**<sup>[3]</sup>

### **D Communicate with clients, the revenue commissioners and other professionals in an appropriate manner**

**1. Communicate advice, recommendations and information in the required format:**<sup>[3]</sup>

For example the use of:

- Reports
- Letters
- Memoranda
- Meeting notes

**2. Present written information, in language appropriate to the purpose of the communication and the intended recipient.**<sup>[3]</sup>

**3. Communicate conclusions reached, together, where necessary with relevant supporting computations.**<sup>[3]</sup>

**4. State and explain assumptions made or limitations in the analysis provided; together with any inadequacies in the information available and/or additional information required to provide a fuller analysis.**<sup>[3]</sup>

**5. Identify and explain other, non-tax, factors that should be considered.**<sup>[3]</sup>

## Reading list

Irish Taxation - Law and Practice Kennedy, Murphy, Scanlon and O'Sullivan, Irish Taxation Institute:

<https://taxinstitute.ie/TaxPublicationandDatabases/TaxPublication.aspx>

Irish Taxation Institute manuals:

<http://taxinstitute.ie/TaxPublicationandDatabases/TaxManuals.aspx>

The Taxation of Capital Gains, Appleby and O'Hanlon, Irish Taxation Institute.

## **Summary of changes to Advanced Taxation – Ireland (ATX-IRL)**

ACCA periodically reviews its qualification syllabuses so that they fully meet the needs of stakeholders such as employers, students, regulatory and advisory bodies and learning providers.

There have been no changes to this syllabus for 2019.