

# Tutor conference February 2024



## Business Planning: Taxation

The examining team presented from the slides, highlighting that the exam is skills based and that the syllabus coverage will be over a period of time and not per session.

Discussions followed on coverage of new topic areas, how students can pass, what we see as good / bad practice and addressing the pre seen questions from the professional tuition providers. In addition we received the following question:

Q - Is Finance Act 2023 (2) in the syllabus for 2024?

A – We stated that we were not adopting the changes in FA2023 (2). As we are a planning paper, if a student referred to something in FA (2), they would not be penalised.

Q -There are some other taxes not included in the syllabus such as environmental taxes.

A – This was discussed as being probably more appropriate to bring in at the TC level rather than BPT.

Discussions then centred around the learning materials:

## Learning Materials

Some aspects that are highlighted as revisions in the LMs are actually new topics.

- We will review this and ensure any new topics are highlighted within the LM's.

EQB has some older style questions (old advanced stage) and could do with refreshing or replacing - Z D Holdings being one example. This caused confusion amongst students as parts of the syllabus which were removed were still within the question.

- This will be reviewed and any older questions replaced.

The summaries and tables at the back of the LMs are a really useful teaching aid.

- We have tried over the past few years to redesign the materials to make them a more user friendly and have responded to feedback we have received. There was a suggestion for these to be signposted more clearly for self-study students.

Depth of CT in the paper is too much for a lot of students not from a tax background (CFC for example)

- Whilst we acknowledge that BP:T is a general practitioner paper, we would still expect students to be aware of the anti-avoidance measures and work ongoing on the pillars of avoidance as these are topical issues. Whilst we do test topics such as DPT and CFC's, we have not done so in any complex detail and as long and questions have been relatively

straightforward. Students have also done really well in these questions. Question 1 in September 2023 generated the highest average mark across the paper.

Speedwell example lots of anti-avoidance parts in one question, was a lot for most students not from a tax background.

- This question just shows how anti-avoidance could be tested and it is unlikely there would be a whole question set on these measures alone. September 23, question 1, is a good example which shows some anti-avoidance but also some other straightforward issues such as debt v equity and ethics.

Split year rules for residency is covered in quite a lot of detail in some of the question bank answers compared to the content of the LMs. Possibly these are older questions that need updating or removing. Also overseas migration – same issue

- This is something we will look to refine. We are aware that the rules are very complex and students struggle. We have not tested split year in such a level of detail. As BP:T is a planning and advisory paper, we have only ever set questions which require a general discussion on when the split year rules may apply and would not expect the level of calculations shown in the questions. There could potentially still be some questions where gains on migration crystallise, but again we acknowledge that there is a lot of detail.

There are some pre 2002 rules questions still in the question bank.

- We will ensure these are removed as pre 2002 goodwill has been taken out of the syllabus.

Can illustrative scripts be shared to show students realistic examples from real exams to see what can be achieved. Comparative answering technique style answers (bad, good, great) are really helpful for students.

- Because of GDPR, we are unable to publish real scripts. However, the examining team will write an article discussing examples from scripts so that students can gain an insight into what type of answer is a pass, marginal etc.

The model answers go into lots of detail.

- The model answers are meant to be a learning tool for students and do not reflect what we expect a student to produce. In every model answer, there is a substantial amount of headroom to account for the range of different points that students may make. We agree that referring to them as a marking guide is more useful.

Sharing more insight into the marking key, marking techniques and how the marks break down between knowledge and skills is allocated would help students.

- We can do this for some of the mock exams and also within the article we suggested to help students.

The topic of disincorporation now fits better with liquidation in the learning materials.

- We will look to move this as we agree it is part of the suite of topics which considers the end of the business lifecycle.

IFAs wasn't examinable last year and then it's back in this year. Example in LMs is quite complex compared to how it would be examined. There still appears to be some old IFA's in there.

- The original discussions centred on the fact that the learning materials still tested pre and post 2002 treatment of goodwill. It was agreed that the pre 2002 elements would be removed. The rules on IFA's generally were retained at tutor request given that it was unrealistic that any acquisitions of corporate entities would not have goodwill within them. Indeed we do test goodwill acquisition and disposal in the context of sole traders. We will review the learning materials to ensure everything is clear.

IR35: there is a model answer question which lists out the rules in great detail– could this be flagged up more that this is for teaching purposes and not what we expect them to do.

- Students will be given credit where rules are applied to the scenario. In the marking guides it is to help students understand why IR35 would be in point and long lists and extracts from the open materials do not achieve many marks unless application skills are evidenced.