



# Chartered Tax Adviser (CTA)

Syllabus 2021/2022



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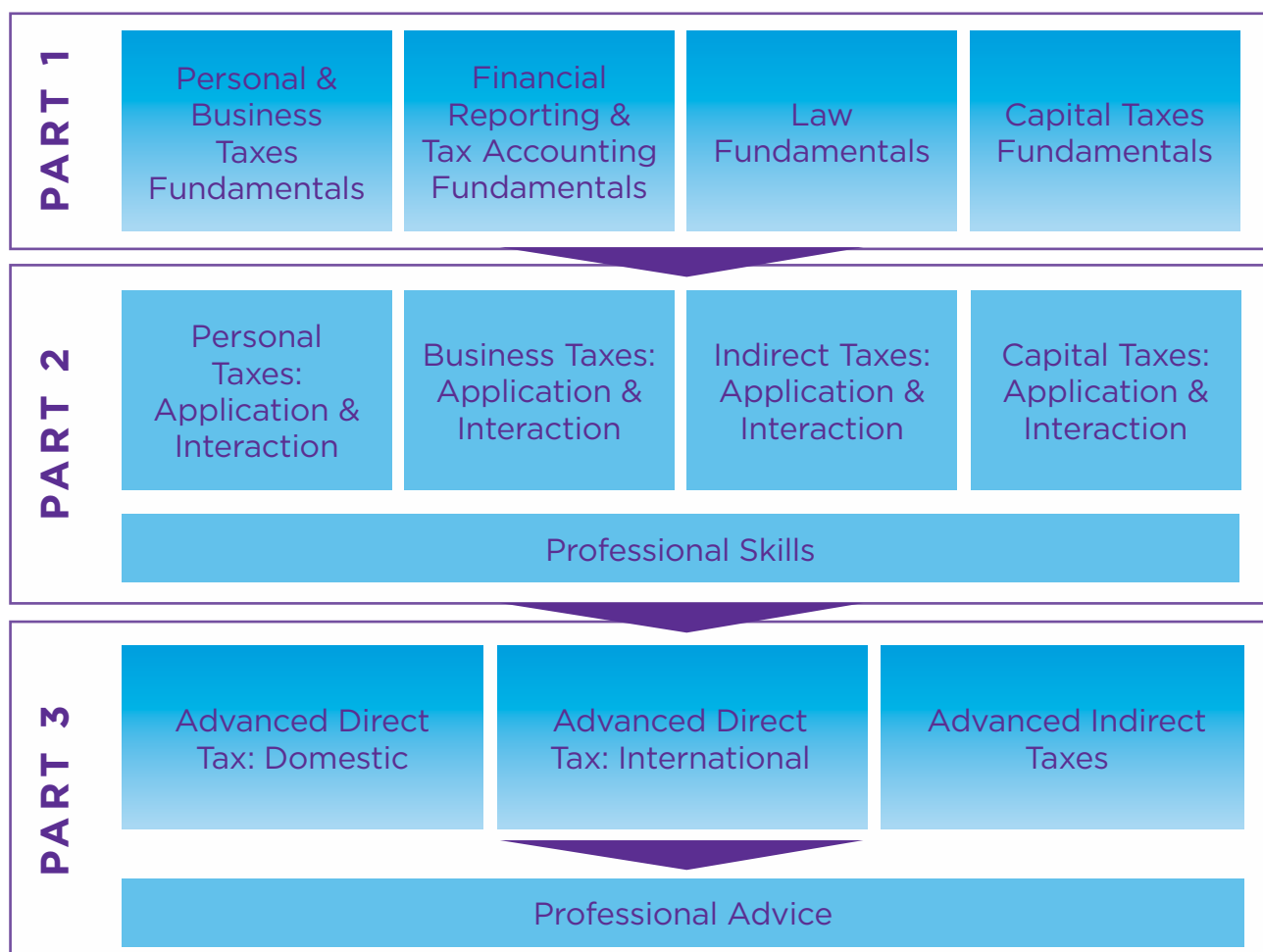
# About The Chartered Tax Adviser (CTA) Qualification

The Chartered Tax Adviser (CTA) qualification is Ireland's leading taxation qualification and is held by the majority of Ireland's most experienced tax advisers, many of whom are involved in delivering the Chartered Tax Adviser (CTA) programme. The qualification was established 40 years ago and the many Chartered Tax Advisers (CTA) working throughout the public and private sectors are testament to the prestige of the qualification and the calibre of its graduates.

Students gain a deep insight into how our tax laws are formed and how these laws are applied to key commercial transactions. Students acquire the professional skills required of an outstanding tax adviser. They learn about the relevant corporate, legal and accounting issues which underpin, broaden and enhance the skill set of a CTA.

The Chartered Tax Adviser (CTA) qualification provides students with the skills necessary to provide technically correct and commercially sound tax advice.

Tax is an ever-changing and ever-increasing body of legislation, precedents and practice. Our students must achieve the vital competency of "learning to learn" so Chartered Tax Advisers (CTA) can keep abreast of relevant developments throughout their career.



The Chartered Tax Adviser (CTA) programme is a cumulative and fully integrated curriculum. Each Part builds on the knowledge and skills acquired by students at previous Parts.

### What Will I Study?

The Chartered Tax Adviser (CTA) programme covers all tax heads, building from fundamentals to the advanced level.

#### Fundamentals – Part 1

Students cover the key principles for the taxation of individuals while gaining the competence to use tax legislation and case law and translating the principles for taxpayers. Students acquire the skills and knowledge to undertake financial reporting and disclosures for tax figures and obtain knowledge of the Irish and EU legal systems and the fundamental legal concepts required to provide comprehensive tax advice.

#### Application & Interaction – Part 2

Through interpreting relevant income, capital and indirect tax provisions, and applying the findings to the circumstances of individuals and companies, students learn to advise individual and corporate tax payers on their tax issues. Students obtain a thorough understanding of Revenue powers and Revenue audits. Students learn how to clearly set out tax advice and to project manage the effective implementation of the advice provided including knowing when input is required from other professionals. Related legal and accounting issues are also covered.

#### Advanced – Part 3

Students acquire the knowledge and skills to deal comprehensively with complex multi-tax scenarios which they will encounter as tax professionals. Students will gain an understanding of international and domestic tax policy which will facilitate students ability to understand tax legislation, whether they are working in practice, the public sector or the corporate sector. Students on completion of Part 3 understand the importance of providing efficient tax advice and of offering alternatives which reflect the commercial reality of the taxpayer. Students obtain a thorough understanding of general anti-avoidance legislation and mandatory reporting requirements. Students consider the ethical issues that qualified Chartered Tax Advisers (CTA) may face when giving tax advice.

#### Professional Skills

Chartered Tax Advisers (CTA) need to have the skills to gather facts, identify potential tax issues under all tax heads, and to research complex tax issues. They need to clearly and concisely communicate with other tax advisers, clients and business advisers. These essential skills are developed in the Professional Skills module in Part 2 and are assessed again in the Professional Advice module at Part 3.



# The Roles and Skills of a Chartered Tax Adviser (CTA)

Throughout the Chartered Tax Adviser (CTA) programme, students will study the tax consequences of many events such as:

## The Tax, Legal and Accounting Consequences of Doing Business

- Multinationals doing business in Ireland including principles of international taxation, the Irish holding company regime, international anti-avoidance measures and exit tax issues
- Setting-up, acquiring, expanding, operating, closing down or winding-up a business
- Group structures such as payment groups, use of losses, transfer of assets, VAT grouping, restructuring or reorganisations

## The Tax and Legal Consequences of Financial Transactions

- Borrowing and lending money
- Leasing
- Investment and disposal of investments:
  - Property
  - Financial assets
  - Overseas

## The Tax and Legal Consequences of Life Events

- Marriage
- Marital breakdown
- Migration – inwards and outwards including foreign employments and secondments
- Termination payments
- Individuals setting up in business as a sole trader or a company
- Planning for retirement through use of pensions
- Succession planning – passing wealth to the next generation
- Personal wealth management

## The Tax and Legal Consequences of Frequently Encountered Issues

- Most common personal and commercial transactions
- Determining whether someone is employed or self-employed
- Employer payroll tax issues including share-based methods of remuneration, benefits and pensions
- VAT implications of business transactions
- Revenue powers, Revenue audits and anti-avoidance provisions

## Tax Policy

Tax Policy has been fully integrated into the Chartered Tax Adviser (CTA) syllabus, providing students with the fiscal framework to consider and evaluate specific aspects of tax policy.

## Roles and Skills of a Chartered Tax Adviser (CTA)

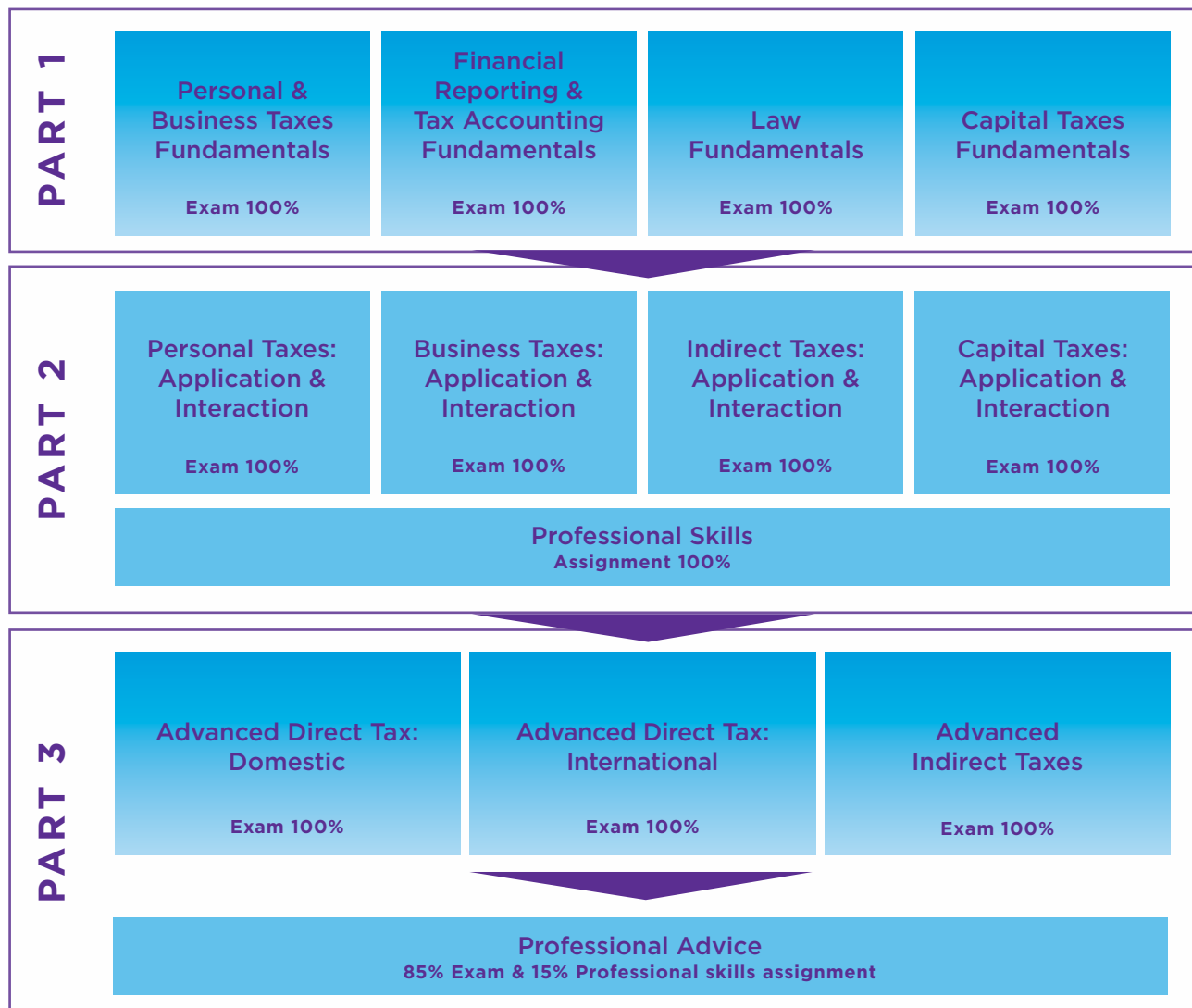
Tax advisers work across multiple sectors and bring a range of expert skills to bear across a wide variety of roles as illustrated in the diagram below.

Employed in professional services firms, and throughout the corporate and public sectors, tax professionals use the roles and skills in a variety of ways. The CTA prepares graduates to be able to perform a variety of roles, using a range of skills as outlined below.

Role \ Skills	Analysis	Judgement	Communication	Project Management	Interaction
Tax Compliance	✓	✓	✓	✓	✓
Financial Accounting	✓	✓	✓	✓	✓
Providing Advice	✓	✓	✓	✓	✓
Financial Investigation and Evaluation	✓	✓	✓	✓	✓
Representation	✓	✓	✓	✓	✓

# Assessment of the Chartered Tax Adviser (CTA) programme

Students are assessed by way of exams and an assignment.





# Course Material for the Chartered Tax Adviser (CTA) programme

Students are provided with the legislation which is the core text for the Chartered Tax Adviser (CTA) Programme. Student manuals provide interpretations of the legislation relevant to the learning outcomes for each module and provide guidance on how to apply those interpretations.

Students obtain a hardcopy bespoke manual for the module they are studying and also have access to all manuals and legislation on student taxfind. Student taxfind is a fully searchable tax database which students can access anywhere at any time and contains access to the pre-reading and further reading referred to in the manuals together with the latest version of Finance Act 2020 – The Professional's Guide which provides a detailed explanation of the Finance Act 2020 changes.

The pre-reading and further reading listed in the manuals assists students to select the most appropriate material to cover to obtain the depth of knowledge required for the exam. Students are reminded that where an exemption is claimed the onus is on the student to ensure they are familiar with the learning outcomes from that module. Each Part of the CTA course builds on the earlier Parts and students need a strong knowledge of the learning outcomes from earlier Parts to progress through Part 2 & Part 3. Students should review the manuals for the earlier Parts on student taxfind to ensure they are comfortable with the material and in particular that they understand the core principles and can apply the main reliefs. In addition, students obtain an electronic version of the Irish Tax Review to keep them up to date with topical issues. Students at each Part also receive a manual containing past exam papers for each module, these past papers are also on taxfind and Blackboard

# How to use this syllabus

This syllabus has been designed to be comprehensive and transparent. Each learning outcome maps to the student manuals.

- Each module is divided into over-arching learning objectives.
- Each learning objective is sub-divided into detailed learning outcomes.
- For ease of reference these learning outcomes have been grouped together as chapters.
- Each learning outcome appears as a section heading in the chapter so that students can track their studies more easily.

# Competencies of a Chartered Tax Adviser (CTA) - on qualification

Using the following skills:					
Perform the following roles:	Analysis	Judgement	Communication	Interaction with others	Project management
<b>Investigate and evaluate tax issues</b>	Carry out focused research across Irish and international tax law and Revenue practice leading to technically sound conclusions	Evaluate alternative potential solutions and identify optimal outcomes	Document the business, financial and tax implications of alternative potential solutions to enable stakeholders decide on an appropriate course of action	Participate in a multi-disciplinary team of advisers in an investigation or evaluation	Understand the processes required to ensure that selected strategies are executed and actions are appropriately documented and evidenced
<b>Provide and implement tax advice</b>	Provide clear and unambiguous taxation advice on business decisions, investment transactions and life events	Identify the legal and financial consequences of proposed actions, to ensure that advice is both technically sound and commercially appropriate	Translate complex legal concepts and communicate implications to taxpayers, including individuals, companies and other entities	Interact with other professionals to provide and implement comprehensive advice to businesses and individuals	Support the successful implementation of tax strategies by planning and project management while adhering to ethical, statutory and regulatory obligations, and observing the Irish Tax Institute Code of Conduct
<b>Represent taxpayers</b>	Analyse tax policies and procedures by reference to their appropriateness for the Irish social and economic environment	Evaluate the strengths and weaknesses of tax positions by reference to legislation, case law and precedent	Understand the role of a tax adviser in representing and defending taxpayers and apply this role to practical circumstances	Interact professionally with taxpayers and tax authorities	Understand and apply the procedures involved in Revenue audits and tax appeals
<b>Support taxpayers to be tax compliant</b>	Apply analytical skills and in-depth knowledge of tax law and compliance processes to support taxpayers in meeting their tax obligations	Assist taxpayers to identify and resolve uncertain tax positions	Communicate with the taxpayer and with Revenue on tax return issues	Interact with information providers, taxpayers and with Revenue in supporting taxpayers in being tax compliant	Prepare and review a full range of corporate and personal tax returns for businesses and individuals
<b>Undertake financial accounting for tax balances</b>	Analyse financial records and produce all the tax entries and reconciliations required in the financial accounting process	Review and audit tax entries in financial statements	Provide relevant commentary on the tax balances for users of financial statements	Support the financial accounting and audit teams in the financial reporting cycle	Manage the tax accounting and compliance calendar from financial accounts to tax returns and payments

The Chartered Tax Adviser (CTA) qualification is a comprehensive and cumulative curriculum which covers all taxes. Throughout the programme students will acquire detailed tax knowledge and the requisite professional skills to work as a Chartered Tax Adviser (CTA).

## Graduate Attributes

Upon completion of the Chartered Tax Adviser (CTA) Programme a student will be able to apply the following skills and knowledge to the roles they carry out in practice, in the corporate sector or the public sector:

### Advisory Skills

- Apply knowledge, understanding and problem-solving abilities to determine the tax treatment of practical scenarios.
- Provide taxation advice on business decisions, investment transactions and life events, that is both technically sound and commercially appropriate across all taxes.
- Apply analytical skills and an in-depth knowledge of tax law and compliance processes to support taxpayers in meeting their tax obligations.
- Carry out focused research across Irish, European and international tax law and Revenue practice leading to technically sound conclusions.
- Analyse and evaluate alternative potential solutions and identify optimal outcomes.
- Justify advice and recommendations and research findings to taxpayers, including individuals, corporates and other entities.
- Support the successful implementation of tax strategies through planning and project management.
- Assist taxpayers to identify and resolve uncertain tax positions.
- Integrate relevant legal and accounting considerations, as well as the impact of risk, ethics, corporate governance and commercial issues, to ensure relevant analysis and sound advice.

### Communication Skills

- Translate complex tax research into clear, concise written tax advice which is comprehensive and technically accurate and written in a style which is suitable for the recipient of the advice, whether that be a colleague, another tax professional or a client.

### Technical Knowledge

- Identify the relevant sources of tax law and guidance including: the Constitution and the EC Treaty; Irish statutes, EU directives and tax treaties; tax cases and rulings from the Court of Justice of the European Union; and guidance from the OECD and other international bodies.
- Critically evaluate and interpret legislation, case law and Revenue precedents and practices, and apply knowledge of business, personal and transaction taxes to meet the circumstances of individual and corporate taxpayers.
- Understand the interaction of direct and indirect Irish taxes and the interaction of Irish tax with the taxes of other countries applying same to practical scenarios.
- Compute the Irish tax liability for a taxpayer, incorporating the taxing and relieving measures, including claw back provisions, evaluating alternative potential solutions relevant to their specific circumstances.



## Ethics and Tax Policy

- Analyse tax policies and procedures by reference to their appropriateness for Irish social and economic environment.
- Carry out professional activities with integrity, objectivity and independence, to a high professional standard and with due care and consideration.
- Adhere to statutory and regulatory obligations, and observe the Irish Tax Institute Code of Conduct.

# Fundamentals – Part 1

## Competencies of a Chartered Tax Adviser (CTA) Student (on completion of Fundamentals – Part 1)

Using the following skills:					
Perform the following roles:	Analysis	Judgement	Communication	Interaction with others	Project management
<b>Investigate and evaluate tax issues</b>	Understand research sources and apply basic research techniques to simple situations			Understand the financial, legal and corporate governance framework in Ireland	
<b>Provide and implement tax advice</b>	Understand how tax impacts on simple personal circumstances		Apply technical concepts to practical situations	Understand the relationships between tax professionals, taxpayers and Revenue	
<b>Represent taxpayers</b>	Understand the legislative process			Understand the structure and content of interactions between taxpayers, Revenue and tax advisers on income tax and capital gains tax returns	
<b>Supporting taxpayers to be tax compliant</b>	Understand the tax compliance cycle for personal taxes		Prepare applications for tax allowances, credits and exemptions for individual taxpayers	Understand the sources of information for basic tax returns for individuals	Prepare basic personal tax returns
<b>Financial accounting for tax balances</b>	Understand tax accounting entries and prepare tax accounts for simple businesses			Understand the framework of preparation and audit of company accounts	

# Personal & Business Taxes Fundamentals

This module is an introduction to the taxation of Irish individuals and companies. It covers the fundamentals of Irish income tax (including PRSI and the Universal Social Charge). It involves referring to the relevant provisions of the Taxes Consolidation Act 1997 and applying the findings of relevant case law throughout.

## Learning Objectives

Upon completion of this module, students will be able to:

1. Understand and explain the policy context of the Irish tax system.
2. Determine whether or not an individual is resident, ordinarily resident or domiciled for Irish tax purposes, and use this to establish the scope of the charge to Irish income tax.
3. Determine the capital allowances available and the tax adjusted profits for a self-employed individual.
4. Determine an individual's taxable rental income.
5. Recognise the different types of investment income and determine how each is charged to income tax.
6. Recognise the different payments that make up employment income and calculate an individual's taxable employment income.
7. Compute the income tax liability of an individual, by preparing applications for all available reliefs, credits and exemptions.
8. Calculate the taxable income of a married couple and civil partners in practical situations.
9. Calculate the PRSI and the Universal Social Charge payable by a self-employed or employed individual and explain the eligibility provisions for the main PRSI benefits.
10. Understanding the tax compliance cycle for income tax and the sources of information for basic tax returns for individuals, identify when an income tax return must be filed and complete the relevant return on ROS offline and calculate the tax payable. Determine if any interest or penalties apply in the case of non-compliance.
11. Apply in-depth knowledge of income tax law to calculate the liability to tax of companies in basic scenarios.

## Assessment

End of course Exam	100%
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## 1. Understand and explain the context of the Irish tax system

### Introduction to tax in Ireland

- Evaluate the principles of a fair and efficient tax system
- Explain the influences and confines which frame the Irish tax system
- Evaluate Ireland's tax base and any alternatives available

### Introduction to income tax

- Identify profits or gains which are taxable under income tax
- Outline the territorial scope of the charge to income tax
- Outline the Scheduler system for categorising sources of income
- Outline the main sources of law for income tax
- Outline the tax rates, credits and bands applicable

## 2. Determine whether or not an individual is resident, ordinarily resident or domiciled for Irish tax purposes, and use this to establish the scope of the charge to Irish income tax

### Residence, ordinary residence and domicile

- Establish the scope of an individual's charge to Irish income tax and conclude on the extent of the charge to Irish income tax on a range of domestic and foreign income sources where the individual is resident, ordinarily resident or domiciled in Ireland
- Describe how and when an individual can elect to be tax resident

## 3. Determine the capital allowances available and the tax adjusted profits for a self-employed individual

### Taxation of business income - Schedule D Case I and II

- Define what constitutes a profession
- Based on various sources of law, conclude on what constitutes a trade. Use this to decide whether or not a trade is carried on in practical situations.
- Outline the general basis of assessment for Schedule D Case I and II
- Interpret legislation, using case law where necessary, to identify taxable and non-taxable income for the purposes of arriving at Case I and Case II profits
- Interpret and apply legislation, using case law where necessary, to identify allowable and disallowable expenditure for the purposes of arriving at Case I and Case II profits
- Compute the taxable profit of a sole trader applying the above rules and reliefs
- Apply case law and legislation to explain when a trade commences and when it ceases, applying the rules to practical examples
- Outline the basis of assessment for Case I and II in relation to start-ups, cessations and changes in accounting date

### Computation of capital allowances for Schedule D Case I and Case II

- Outline the basis period for capital allowances
- Describe how grants received are treated for the purposes of capital allowances



- Interpret legislation, using case law where necessary, to identify when expenditure qualifies as “plant” for capital allowances purposes
- Summarise the conditions that must be fulfilled for capital allowances to be available on plant and machinery
- Describe the tax implications of disposing of an asset on which capital allowances were claimed
- Assess if capital allowances on plant and machinery are available in a practical situation and calculate any allowances available
- Summarise the conditions that must be fulfilled for capital allowances to be available for motor cars
- Assess if capital allowances on motor cars are available in a practical situation and calculate any allowances available
- Interpret legislation, using case law where necessary, to identify what constitutes an Industrial Building
- Summarise the conditions that must be fulfilled for industrial buildings allowances to be available
- Describe the tax implications of disposing of an asset on which industrial buildings allowances were claimed
- Assess if capital allowances on an Industrial Building are available in a practical situation and calculate any allowances available

#### 4. Determine an individual’s taxable rental income

##### Taxation of rental income: Schedule D Case V

- Interpret legislation to identify what income is taxable under Schedule D Case V
- Outline the basis of assessment for Schedule D Case V
- Interpret legislation, using case law where necessary, to identify allowable and disallowable expenditure for the purposes of arriving at Case V profits
- Explain the implications of claiming rent a room relief
- Compute Case V profits applying the above rules and reliefs

##### Leases and lease premiums

- Outline the scope and basis of assessment of Schedule D Case V for lease premiums
- Interpret legislation to calculate the “income” portion of a lease premium
- Conclude, based on tax law, the tax treatment of sub-letting premises
- Conclude, based on tax law, the tax treatment of granting a short lease out of a freehold/long lease
- Conclude, based on tax law, the tax treatment of assigning a lease on a premises
- Conclude, based on tax law, the tax treatment of surrendering a leasehold interest

#### 5. Local Property Tax

- Explain when the Local Property Tax is due

#### 6. Recognise the different types of investment income and determine how each is charged to income tax

##### Taxation of investment income: Schedule D Case III

- Interpret legislation to identify what income is taxable under Schedule D Case III
- Outline the basis of assessment for Schedule D Case III

- Identify when withholding tax arises on investment income and show how it is treated in a tax computation
- Compute Case III profits and any associated tax relief applying the above rules and reliefs

### **Taxation of other income: Schedule D Case IV**

- Interpret legislation to identify what income is taxable under Schedule D Case IV
- Outline the basis of assessment for Schedule D Case IV
- Explain the operation of the DIRT system to Irish and foreign deposit income
- Identify when DIRT arises and show how it is treated in a tax computation
- Compute Case IV profits and any associated tax relief applying the above rules and reliefs

### **Taxation of Irish dividend income: Schedule F**

- Interpret legislation to identify what income is taxable under Schedule F
- Outline the basis of assessment for Schedule F
- Interpret legislation to determine when and how dividend withholding tax should apply to dividends paid by Irish companies to Irish individual shareholders
- Compute Schedule F income and any associated tax relief applying the above rules and reliefs

## **7. Recognise the different payments that make up employment income and calculate an individual's taxable employment income**

### **Taxation of employment income: Schedule E**

- Interpret legislation to identify the scope of Schedule E
- Outline the basis of assessment for Schedule E
- Prepare the accounting entries for accounting for PAYE and reconcile
- Use the principles of established case law to distinguish between the terms "office" and "employment"
- Use the principles of established case law to define the terms "emoluments" and "perquisite"
- Contrast the meaning of a perquisite with a benefit-in-kind
- Interpret legislation, using case law where necessary, to determine how non-cash benefits are subject to Schedule E
- Interpret legislation, using case law where necessary, to determine the test of deductibility of expenses against Schedule E income
- Interpret legislation to determine when the reimbursement of expenses by an employer gives rise to a taxable benefit and when it does not
- Interpret legislation and apply the relief available for termination payments
- Assess whether the special termination payment relieving provisions apply
- Separate a termination payment into its taxable and non-taxable elements
- Outline the administrative procedures surrounding any claim for relief from tax on termination payments
- Compute the Schedule E income and any associated tax relief applying the above rules and reliefs

## 8. Compute the income tax liability of an individual, by preparing applications for all available reliefs, credits and exemptions

### Personal tax charges, allowances, credits and exemptions

- Interpret legislation to describe the tax relief available for various payments made by an individual, including:
  - Permanent health insurance
  - Employing a person to take care of an incapacitated individual
  - Covenants
- Interpret legislation to identify the personal tax credits and reliefs available to an individual by virtue of their personal circumstances
- Interpret legislation to identify the tax credits available for various payments made by an individual
- Compute the income tax rebate to first-time buyers who qualify for the help to buy scheme
- Compute the personal tax charges, allowances and credits available to an individual
- Interpret legislation to identify the income tax exemptions that exist due to the personal circumstances of the taxpayer or the source of the income
- Compute the taxable income of an individual after claiming all exemptions

### Tax relief at source

- Outline in principle how tax relief at source is granted
- Using legislation, identify qualifying medical insurance premiums and calculate the amount of relief due
- Compare this relief on medical insurance premiums to the relief available for health expenses and permanent health insurance
- Outline how the reliefs are claimed

### Exemptions and reliefs

- Describe the statutory exemptions from income tax and CGT that are available and any claw-back provisions:
  - Charities
  - Artists
  - Woodlands
  - Lotteries
  - An individual's principal residence
  - Life assurance and deferred annuities: CGT exemption
  - Superannuation funds: CGT exemption
  - Pensions
  - Payments under employment law
  - Wasting assets and wasting chattels (not qualifying for capital allowances): CGT exemption
  - Government securities
  - Restrictions on allowable capital losses
- Calculate any tax, PRSI or Universal Social Charge payable by taxpayers who claim these exemptions and reliefs

## 9. Calculate the taxable income of a married couple and civil partners

### Taxation of married couples and civil partners

- Interpret legislation to explain the different ways married couples or civil partners may be assessed to income tax, and prepare a tax computation based on each
- Calculate the relief available to a couple in the year of marriage
- Calculate the income tax liability arising for both the surviving spouse/civil partner and the deceased spouse/civil partner in the year of death
- Calculate the income tax liability arising for both the surviving spouse/civil partner and the deceased spouse/civil partner in the year of death where Revenue concession applies

## 10. Calculate the PRSI and the Universal Social Charge payable by a self-employed or employed individual and explain the eligibility provisions for the main PRSI benefits.

### PRSI and the Universal Social Charge

- Define the key terms used in relation to PRSI
- Interpret legislation to explain how the Universal Social Charge is applied
- Outline the relevant limits and exemptions that apply
- Illustrate with an example how PRSI and the Universal Social Charge are applied to employment income
- Illustrate with an example how PRSI and the Universal Social Charge are applied to self-employed income
- Explain the eligibility of individuals for the main PRSI benefits, including unemployment, maternity and retirement, and the impact of dependents on payment levels
- Summary of PRSI & USC application

## 11. Understanding the tax compliance cycle for income tax and the sources of information for basic tax returns for individuals, identify when an income tax return must be filed and complete the relevant return on ROS offline and calculate the tax payable. Determine if any interest or penalties apply in the case of non-compliance.

### Administration of self-assessment for individuals

- Using legislation, outline the self-assessment system for the collection of tax and filing of returns for individuals
- Outline which individuals are subject to this specific administration system, and apply the rules to conclude whether self-assessment obligations apply in particular cases
- Detail the registration procedure for self-assessment
- Detail any returns of third-party information that may be required under self-assessment
- Explain an individual's obligations under the Pay and File system
- Describe and compute the consequences of failing to file a return or pay a tax liability in full and on time
- Describe the appeals process as it applies to an individual within the self-assessment system
- Prepare an income tax return

### Operation of the PAYE Collection system

- Explain the principles of the operation of the PAYE collection system
- Describe the obligations of an employer in operating the PAYE system
- Describe the obligations of an employee in relation to the operation of the PAYE system
- Outline the practical considerations surrounding the application of the PAYE system

## 12. Apply in-depth knowledge of income tax law to calculate the liability to tax of companies in basic scenarios

### Introduction to corporation tax

- Contrast income tax with corporation tax
- Explain terms used when calculating corporation tax
- Interpret legislation to apply income tax principles to allocate the income of corporates to the appropriate Schedule or Case.
- Interpret case law to determine if a company is trading and is therefore subject to the 12.5% corporate tax rate.
- Interpret legislation to apply capital gains tax principles to the taxation of corporate capital gains
- Explain the application of the appropriate corporation tax rate to income from each source
- Download and review the Form CT1 from ROS online

### Application of income tax principles to the taxation of companies

- Use the relevant sources of law to compare the rules that apply to deductions allowable in arriving at taxable income for corporation tax and those allowable for income tax purposes
- Identify the disclosure notes and other sources that are relevant to the preparation of the corporation tax computation
- Identify the disclosure notes that are relevant to other taxes
- Calculate the taxable profits of an Irish corporate taxpayer
- Justify the deduction or otherwise of expenses based on legislation and case law

# Capital Taxes Fundamentals

This module is an introduction to key features of taxation of capital gains for individuals, including what constitutes an asset or a disposal, the charge to capital gains tax ("CGT") and the administration of the taxation system as it relates to CGT. It involves referring to the relevant provisions of the Taxes Consolidation Act 1997 and applying the findings of relevant case law throughout. In addition, it is an introduction to the charge to Capital Acquisitions Tax (CAT) based on an individual's personal circumstances.

## Learning Objectives

Upon completion of this module, students will be able to:

1. Determine whether or not an individual is Irish resident, ordinarily resident or domiciled for Irish tax purposes, and use this to establish the scope of the charge to Irish CGT and how CGT impacts in practical situations.
2. Determine whether or not there has been a disposal of an asset which could give rise to CGT.
3. Apply the CGT rules relating to valuing acquisitions and disposals to practical situations.
4. Compute the CGT liability of an individual, claiming all available reliefs and exemptions.
5. Calculate the CGT arising on transactions between a married or separated couple and civil partnership.
6. Understand the CGT implications of a taxpayer's death.
7. Calculate the CGT arising on the sale of shares.
8. Calculate the CGT arising of leases and other property transactions in practical situations.
9. Identify when a CGT return must be filed and any tax due paid. Determine if any interest or penalties apply in the case of non-compliance.
10. Establish an individual's liability to Capital Acquisitions Tax based on their personal circumstances.

## Assessment

End of course Exam	100%
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## **1. Determine whether or not an individual is resident, ordinarily resident or domiciled for Irish tax purposes, and use this to establish the scope of the charge to Irish CGT and how CGT impacts in practical situations**

### **Introduction to capital gains tax**

- Identify profits or gains which are taxable under CGT
- Outline the key aspects of a CGT computation – disposal, consideration, base cost, chargeable gain and tax payable
- Explain the basis of assessment for CGT
- Outline the territorial scope of the charge to CGT
- Outline the main sources of law
- Explain and identify the different types of ownership which exist
- Outline the tax rates applicable
- Compare and contrast the tax base for CGT and income tax

### **Residence, ordinary residence and domicile**

- Interpret legislation to define an individual's residence and ordinary residence
- Define the legal concept of "domicile" from a tax perspective
- Apply legislation and the principles from established case law to determine an individual's residence and domicile for a tax year
- Explain an individual's right of appeal against Revenue's decision on their domicile
- Outline the CGT implications of an individual's residence, ordinary residence and domicile
- Explain when non-residents can be charged to Irish CGT
- Compare the effect of residence, ordinary residence and domicile on the scope of the charge to CGT and to income tax

## **2. Determine whether or not there has been a disposal of an asset which could give rise to CGT**

### **Assets**

- Define the meaning of "asset" for CGT purposes
- Describe and apply the rules regarding the location of assets
- Describe and apply the rules regarding wasting assets
- Apply the CGT rules to analyse whether items are assets or not

### **Disposals**

- Define the disposal of assets for CGT purposes
- Apply the rules to determine whether a disposal has been made in practical cases
- Apply the tax treatment of insurance and compensation monies
- Apply the tax treatment for assets used as security
- Apply the tax treatment of disposals by nominees and trustees
- Interpret legislation to identify when a disposal is made

### 3. Apply the capital gains tax rules relating to valuing acquisitions and disposals to practical situations

#### Valuation and consideration

- Explain how to deal with consideration that is partly capital and partly revenue in nature
- Explain and apply the interaction of CGT with balancing charges
- Explain and apply how and why market value is sometimes imposed, and identify occasions when this will happen on disposals
- Illustrate how consideration denominated in a foreign currency is treated for CGT purposes
- Interpret legislation to identify the value of acquisition or disposal

#### Costs of acquisition

- Interpret legislation to define the cost of an asset
- Explain and apply how incidental costs are treated for CGT purposes
- Explain and apply the treatment of enhancement expenditure
- Explain why market value is sometimes imposed, identify occasions when this will happen on acquisitions and compare this to the position for disposals
- Explain and apply the costs of acquisition are arrived at in the case of assets derived from other assets
- Explain how the costs of acquisition are arrived at in the case of wasting assets
- Illustrate how costs of acquisition denominated in a foreign currency are treated for CGT purposes

### 4. Compute the CGT liability of an individual, claiming all available reliefs and exemptions

#### Losses

- Interpret legislation to explain how loss relief is granted for CGT purposes
- Outline how relief is granted for losses on chattels (both those that qualify for capital allowances and those for personal use)
- Outline the timing of loss relief with respect to other reliefs and exemptions
- Explain and apply how the market value rules on transactions between connected persons interact with loss relief
- Interpret legislation to explain the basis for negligible value claims
- Compute the relief available for losses in a practical case

#### Indexation relief and the annual exemption

- Describe indexation relief and how it applies to assets acquired both before and after 6 April 1974
- Describe the restrictions on indexation relief
- Outline an individual's entitlement to the annual exemption
- Apply indexation relief and the annual exemption to a disposal chargeable to CGT

#### Other exemptions

- Outline the main exemptions from CGT, comparing these to the equivalent exemption from income tax where relevant
- Identify when an asset is a chattel and apply the relevant exemptions



## Reliefs

- Interpret legislation to explain Principal Private Residence (“PPR”) relief from CGT
- Compute PPR relief available in practical cases
- Explain the interaction of PPR with rent-a-room relief
- Interpret legislation to explain the relief available on the disposal of a site to a child
- Interpret legislation to explain the seven-year CGT relief for certain disposals of land or buildings
- Compute the relief available in practical cases on the disposal of certain land or buildings
- Summarise the special rules that apply to transfers to or from personal insolvency practitioners who hold assets in trust for the benefit of creditors.
- Interpret legislation to explain and apply the new entrepreneur relief from CGT

## 5. Calculate the CGT arising on transactions between a married or separated couple and civil partnerships

### Taxation of married couples and civil partnerships

- Explain the methods of assessment to CGT for married couples/civil partnerships
- Outline how reliefs apply for married couples/civil partnerships
- Outline the specific reliefs available on the transfer of assets between spouses/civil partners, including:
- Compare this to the treatment of the transfer of assets between spouses/civil partners on divorce/dissolution of civil partnership
- Compare this to the treatment of the transfer of assets between spouses/civil partner on separation
- Compute the CGT liability for a married couple/civil partner
- Conclude, based on tax law, whether a couple are entitled to claim these spousal / civil partners reliefs
- Conclude, based on tax law, whether a couple are entitled to claim reliefs for spouses/civil partners
- Compare the CGT treatment to the treatment of married couples/civil partnerships/separated couples and divorced couples/dissolved civil partnerships for income tax

## 6. Understand the CGT implications of a taxpayer’s death

### Taxation on death

- Interpret legislation to assess the CGT implications on the transfer of assets on death
- Understand and outline how gains arising to the deceased up to the date of death are treated
- Understand and outline how losses in the year of death are treated
- Calculate any CGT implications of the transfer of assets on death

## 7. Calculate the CGT arising on the sale of shares

### Companies and their shareholders

- Outline the basic rules relating to the disposal of shares for CGT purposes
- Applying first principles, determine the taxation implications of share transactions
- Describe how share for share exchanges are treated for tax purposes comparing the implications of the inclusion of cash to straight share for shares exchanges
- Explain the reason for the introduction of the “four-week rule”, on share disposals

- Interpret legislation to explain the application of the “four-week rule”
- Prepare a pro-forma share history
- Compute the CGT arising on share transactions

## **8. Calculate the CGT arising of leases and other property transactions in practical situations**

### **The CGT treatment of leases of land and property**

- Apply first principles of CGT to calculate the CGT arising on leases
- Interpret legislation to determine and apply the CGT arising on granting:
  - A long lease out of a freehold/long lease
  - A short lease out of a freehold/long lease
  - A short lease out of a short lease
- Outline and apply how the sale of a lease differs from its grant, including:
  - Sale of a long lease
  - Sale of a short lease
- Compare the CGT treatment of short leases to the income tax treatment

### **Development land**

- Interpret tax law to define development land for CGT purposes
- Interpret legislation to explain how disposals of development land are taxed
- Judge whether a disposal involves development land and calculate any arising tax or restrictions of reliefs

## **9. Identify when a CGT return must be filed and any tax due paid. Determine if any interest or penalties apply in the case of non-compliance.**

### **Withholding tax provisions**

- Interpret legislation to identify the occasions when withholding tax applies to CGT transactions
- Outline the procedures the purchaser must follow to account for and return this withholding tax
- Outline the procedure for gaining a CGT clearance certificate
- Complete a tax clearance form CG50
- Explain how withholding tax applies in situations where no cash changes hands

### **Self-assessment**

- Using legislation, outline the self-assessment system for the collection of tax and filing of returns for individuals
- Prepare the CGT entries on an individual tax return
- Compare self-assessment for CGT and self-assessment for income tax

## 10. Establish an individual's liability to Capital Acquisitions Tax based on their personal circumstances

### Introduction to Capital Acquisitions Tax (CAT)

- Identify gifts and inheritances which are taxable under CAT
- Outline the key aspects of a CAT computation
- Outline the tax rates applicable to CAT
- Compare and contrast CAT with CGT and income tax

### Residence, ordinary residence and domicile

- Outline the impact that residence and domicile have on a person's liability to CAT

### Arriving at the taxable value

- Summarise how to calculate the taxable value of a gift or inheritance
- Determine the incumbrance free value of a benefit for CAT purposes
- Judge whether a deduction is allowable or non-allowable for CAT purposes
- Compute the taxable value of a gift or inheritance
- Contrast the taxable value rules for CAT purposes to those for CGT and income tax purposes

### Calculating the tax

- Outline how aggregation applies, using illustrative examples
- Outline how to determine the rate of CAT applicable
- Explain how a credit for CGT paid on the same event is granted
- Explain the taxation of same-day benefits
- Describe how the benefit of freedom from tax is subject to CAT
- Interpret legislation to ascertain the valuation date for gifts or inheritances
- Contrast the valuation date of gifts and inheritances with the date a gift or inheritance is deemed to be taken, and explain the significance of each

### Taxation of married couples and civil partners

- Outline any reliefs available on the transfer of assets between spouses and civil partners
- Compare how transfers between separated and divorced couples and transfers following the dissolution of civil partnerships are treated for CAT purposes
- Outline how transfers to a spouse or surviving civil partner on death are treated
- Calculate any CAT arising on transfers between spouses or civil partners

### Exemptions

- Identify if a gift or inheritance is exempt from CAT
- Identify if a donee/successor is exempt from CAT

# Financial Reporting & Tax Accounting Fundamentals

This module covers the preparation of books of first entry, using these to create financial statements and then analysing the information contained in the financial reports (such as the Directors' report and the notes to the financial statements). It also includes preparing the corporation tax account and disclosure notes.

## Learning Objectives

Upon completion of this module, students will be able to:

1. Explain accounting terminology, conventions and standard accounting practice.
2. Describe the different types of entities and prepare basic financial accounts for each.
3. Understand tax accounting entries and prepare the corporation tax account and disclosures for inclusion in financial statements.
4. Perform a basic interpretation and analysis of information from the financial reports.

## Assessment

End of course Exam	100%
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## 1. Explain accounting terminology, conventions and standard accounting practice

### Introduction to basic accounting concepts

- Explain the accounting equation
- Apply knowledge of double-entry book keeping to prepare journals
- Explain the role of the Trial Balance
- Explain the types of Trial Balance errors
- Describe the basic principles which govern Financial Reporting
- Explain the concepts for Financial Reporting

### Introduction to basic accounting practice

- Define and explain the role of the books of first entry
- Define and explain the role of ledgers

### Sources of accounting rules and guidance

- Describe statute and the stock exchange as a source of rules and guidance
- Describe how GAAP (IFRS and FRS) are a source of rules and guidance
- Examine how these rules apply to a set of financial reports

### Accounting for specific items - 1

- Describe the accounting treatment of the following specific items:
  - Capital v revenue expenditure
  - Accounting for VAT and payroll
  - Write off bad debts and creation of allowance for receivables
  - Prepayments and accruals
  - Inventories
  - Property, plant & equipment
  - Leases

## 2. Describe the different types of entities and prepare basic financial accounts for each

### Accounting for various entities

- Describe the different types of entities that prepare accounts
- Explain the background and capital structure for:
  - Sole trader
  - Partnership
  - Company
  - Transfer (Sale) of partnership to a limited company
  - Branch
  - Summary

**Statement of cash flows and disclosures included in a set of financial statements**

- Explain the requirement to prepare a statement of cash flows
- Prepare a basic Statement of cash flows for a company
- Describe the main notes and disclosures that form part of financial statements
- Summary

**Accounting for specific items - 2**

- Income tax and corporation tax
  - Impairments
  - Investments
  - Intangible assets
  - Research and development
  - Retirement benefit / pensions
  - Equity and financial liabilities
  - Reserves
- Describe the concept of functional currency and the circumstance in which non-euro functional currency is appropriate
  - Outline which foreign exchange rate is used to translate different types of accounts for year end balances

**3. Understand tax accounting entries and prepare the tax accounts and corporation tax disclosure for inclusion in financial accounts / reports****Accounting for and reporting tax charges and provision; tax disclosures relevant for IFRS**

- Outline the requirements for accounting for current tax in the statement of profit or loss and other comprehensive income and statement of financial position
- Outline the requirements of International Financial Reporting Interpretations Committee (IFRIC) 23 Uncertainty over Income Tax Treatments
- Explain the purpose of a tax account and the main differences between the account balance and the tax payment
- Calculate the current tax expense (or income) for the Statement of Profit or Loss and Other Comprehensive Income
- Calculate the impact on the tax account of payments of corporation tax and of tax withheld on income and expenses
- Calculate the accounting adjustments required for adjustment of prior year tax liabilities on submission of tax returns and on settlement of Revenue audits
- Calculate the current tax provision for the Statement of Financial Position
- Awareness of the term Deferred Tax
- Outline the tax disclosures that are relevant to the Statement of Profit or Loss and other Comprehensive Income
- Outline the tax disclosures that are relevant to the Statement of Financial Position
- Outline the tax disclosures that are relevant to the Statement of Cash Flows

- Explain the purpose of an effective tax rate reconciliation
- Set out the requirements of the accounting standard (under FRS and IFRS) relevant to the reporting of current tax
- Reconcile the current expected tax charge with the current tax expenses or income (IFRS methodology – IAS 12)

## **4. Perform a basic interpretation and analysis of information from the financial reports**

### **Interpreting financial reports**

- Outline the circumstances when an entity or company needs to be valued
- Apply the three basic methods of valuing an entity
- Explain what is meant by EBITDA
- Explain the purpose of carrying out ratio analysis and analyse a set of financial reports using ratio analysis
- Calculate and interpret commonly used ratios

### **The implications of financing decisions**

- Outline the main sources of finance available to entities
- Compare the financial implications of the different sources of finance
- Outline the financial implications of investment decisions

### **Distributable reserves of a company**

- Identify the different forms of distribution and apply the legal rules that determine the distributable reserves of a private company
- Describe the accounting treatment of different types of distribution
- Judge if the distribution restrictions for public limited companies apply
- Explain how preference share distributions work
- Explain the financial implications of a company's dividend policy
- Describe the restrictions on the distributions of profits and asset

# Law Fundamentals

This module is an introduction to the principle of contract law, land law and company law in Ireland.

## Learning Objectives

Upon completion of this module, students will be able to:

1. Understand and apply the basic principles of contract law.
2. Understand and apply the basic principles of land law.
3. Understand and apply the main provisions of company law.
4. Apply the basic legal principles surrounding personal bankruptcy.

## Assessment

End of course Exam	100%
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## 1. Understand and apply the basic principles of contract law

### Contract law - forming a contract

- Describe the necessary elements in making a valid contract
- Outline the main terms of a contract
- Determine a person's capacity to enter into binding contracts

### Contract law - ending a contract

- Identify whether or not a contract is invalid
- Identify whether or not a contract is unenforceable
- Identify the remedies for breach of contract
- Describe the various ways the law may regard a contract as discharged

## 2. Understand and apply the basic principles of land law

### Land law

- Classify the rights, interests and types of ownership in land
- Describe the different transfers of ownership that can occur

## 3. Understand and apply the main provisions of company law

### Basics of Company Law

- Outline what is meant by a company, under Irish company law
- Describe the key principles of Corporate Governance
- Define terms associated with forming a company
- Compare and Contrast Company types under CA 2014
- List the documents needed to form a company
- Explain the nature of a share in a company
- Describe the legal relationship between companies and their shareholders
- Outline how a company can convert to a different type of company
- Contrast the typical governance procedures of a Private Company and a Public Company
- Outline how a company's agents may bind it

### Memorandum and Articles of Association

- Outline the purpose of a Company's Constitution
- Describe the standard contents of the Company's Constitution and the purpose of each clause
- Explain the *ultra vires* rule as amended by legislation
- Describe how the Company's Constitution can be altered

### Shares and share capital

- Outline the main categories of share capital
- Describe how a company can increase its share capital
- Set out the rules affecting the issue of shares
- Describe the process by which shares may be transferred
- Describe a company's capital maintenance obligations and the consequences of non-compliance

### Meetings and proceedings

- Explain the purpose of annual and extraordinary shareholder meetings
- Identify when a shareholder meeting must be held
- Describe how decisions are made at shareholder meetings

### Directors Duties/Directors of a company

- Identify who is eligible to be a director of an Irish company
- Describe how directors are appointed and how they retire or are removed
- Describe the powers of directors
- Describe the duties of directors
- Identify to whom directors owe their duties
- Outline the different types of directors
- Describe the role of the Director of Corporate Enforcement

### Company compliance obligations

- Understand the categorisation of offences under Companies Act 2014
- Describe company's duty to maintain proper books of account
- Describe company's duty to maintain proper books of accounts
- Describe the Company's duty to prepare Annual Financial Statements
- Describe the statutory obligation to make an annual returns and penalty for failure to comply
- Describe foreign companies' registration and filing requirements in Ireland
- Describe the transactions that must be reported in an annual return and the timings of the filing of an annual return

### Strike off provisions of company law

- Describe how companies can be subject to strike-off
- Outline the legal effect of a strike-off
- Outline how a strike-off can be reversed

## 4. Apply the basic legal principles surrounding personal bankruptcy

### Borrowing and Security

- Outline the legal issues surrounding personal bankruptcy

# Application & Interaction – Part 2

## Competencies of a Chartered Tax Adviser (CTA) student (on completion of Application & Interaction – Part 2)

Using the following skills:					
Perform the following roles:	Analysis	Judgement	Communication	Interaction with others	Project management
<b>Investigate and evaluate tax issues</b>	Research and evidence conclusions on a range of fundamental issues	Evaluate alternative potential solutions and identify optimal outcomes for issues affecting individuals and businesses	Communicate the consequences of alternative potential actions	Understand the role of other advisers, Revenue and of the various members of a business organisation in investigating and evaluating tax issues	Prepare an implementation plan to achieve a desired outcome
<b>Provide and implement tax advice</b>	Analyse complex personal and business circumstances to identify and analyse the impact of all applicable taxes	Recognise technical areas where judgment is required to reach sound conclusions	Communicate advice to taxpayers in a comprehensible way	Understand the roles of other professionals in providing and implementing advice	Prepare an implementation plan based on advice provided
<b>Represent taxpayers</b>	Understand the formation and development of tax policy	Analyse the tax opportunities in a range of practical situations	Prepare advance clearance requests and ruling applications to the tax authorities		
<b>Supporting taxpayers to be tax compliant</b>	Understand the tax compliance cycle for business taxes Apply analytical skills and in-depth knowledge of tax law and compliance processes to support taxpayers in meeting their tax obligations	Identify uncertain tax positions and apply appropriate reporting obligations for tax returns and other communications	Communicate with the taxpayer and with Revenue on tax return issues for businesses and individuals	Interact with information providers, taxpayers and with Revenue in supporting personal and business taxpayers in being tax compliant	Prepare a full range of corporate and personal tax returns for businesses and individuals and manage the related tax compliance calendars
<b>Financial accounting for tax balances</b>	Analyse financial records and produce all the tax entries and reconciliations required in the financial accounting process	Review and audit tax entries in financial statements	Provide relevant commentary on the tax balances for users of financial statements	Support the financial accounting and audit teams in the financial reporting cycle	Manage the tax accounting and compliance calendar for companies from financial accounts to tax returns and payments

# Personal Taxes: Application & Interaction

This module draws on knowledge of income tax and capital gains tax on individuals from the Personal & Business Taxes Fundamentals and Capital Taxes Fundamentals modules at Part 1. It covers income tax (including PRSI and the Universal Social Charge) and capital gains tax as they apply to an individual. It involves referring to and interpreting the relevant provisions of the Taxes Consolidation Act 1997 and applying the findings of relevant case law throughout.

## Learning Objectives

On completion of this module, students will be able to:

1. Analyse and establish an individual's charge to income tax and CGT based on their personal circumstances.
2. Advise on the taxation of trade and professional income for individuals and partnerships.
3. Advise on the taxation of property transactions in practical situations.
4. Advise on the taxation of foreign source profits and investment income.
5. Advise on the taxation of Irish source employment income in practical situations.
6. Compute the income tax liability of non-resident individuals in receipt of Irish source income.
7. Advise on the application of tax incentives, charges on income and the restriction on tax reliefs for high earners in practical situations.
8. Advise on the taxation of married, cohabiting, separated, widowed and divorced couples and civil partners.
9. Advise on the sale or succession of incorporated and unincorporated businesses.
10. Describe the transactions that give rise to, and the relief available for, the deduction of income tax at source.
11. Advise on the application of specific anti-avoidance rules.
12. Analyse and advise on Revenue Audits & Powers.

## Assessment

End of course Exam

100%

## 1. Analyse and establish an individual's charge to income tax and CGT based on their personal circumstances

### Residence, ordinary residence and domicile

- Establish an individual's charge to the domicile levy
- Establish an individual's charge to income tax and CGT based on differing circumstances of residence, ordinary residence and domicile

## 2. Advise on the taxation of trade and professional income for individuals and partnerships

### Taxation of business income - Schedule D Case I and II

- Apply principles from established case law to determine whether the trade is carried on in Ireland or abroad
- Calculate the tax, PRSI and Universal Social Charge (USC) payable by an individual on their trading or professional income

### Loss relief in a trade or profession

- Conclude, based on various sources of law, what relief is available for trading or professional losses
- Interpret legislation to explain how trade charges interact with losses
- Interpret legislation to explain what relief is available for losses incurred outside of Ireland
- Calculate the loss relief available applying the above rules
- Assess how best to use the available loss relief

### Case I and II capital allowances: Anti avoidance provisions and interaction with losses

- Explain the reason for anti-avoidance provisions relating to capital allowances
- Apply the anti-avoidance provisions relating to capital allowances
- Explain how capital allowances interact with losses
- Calculate the relief available for capital allowances and losses

### Rules relating to the taxation of specific businesses carried on by an individual

- Interpret legislation to explain the taxation implications of appropriations to and from trading stock
- Conclude whether or not a partnership exists
- Outline the implications of a partnership
- Compare limited partnerships and a limited liability partnership to a general partnership and compare a partnership to a company
- Describe when dissolution of a partnership can occur
- Distinguish between a partnership, a sole trader and other collective arrangements
- Distinguish between a general partner and a limited partner
- Outline the special rules relating to the basis of assessment and scope of income tax in relation to partnerships
- Explain why there are restrictions applied to limited partners and what these restrictions are
- Calculate each partner's liability to tax, PRSI and Universal Social Charge on partnership income

### 3. Advise on the taxation of property transactions

#### Case V capital allowances

- Interpret legislation to identify the capital allowances available against Case V income
- Assess a lessor's entitlements to capital allowances
- Summarise the restrictions that can apply to Case V allowances
- Explain the reason property incentive schemes were introduced and the relief they granted

#### Taxation of Trading Lessors

- Explain the taxation of a trading lessor compared to the taxation of normal lessors
- Explain the interaction of losses in a leasing trade with capital allowances
- Calculate the income tax, PRSI, Universal Social Charge and CGT due on a transaction involving a lease

#### Withholding tax on rental income/expenses

- Explain why withholding tax applies to rents paid to non-residents
- Interpret legislation to explain how the withholding tax applies on rent to a non-resident landlord and any administrative obligations arising
- Calculate the applicable withholding tax on rent paid to a non-resident

#### Development land

- Describe the tax treatment of receipts from dealing in or developing land
- Explain the rules for calculating profits and losses from dealing in or developing land including debt release
- Outline the anti-avoidance rules in relation to dealing in or developing land
- Compute any tax, PRSI, Universal Social Charge applicable to the sale of development land

### 4. Advise on the taxation of foreign source profits and investment income

#### Taxation of Investment Income: Schedule D Case III

- Describe how an individual who receives foreign dividends can be given credit for tax incurred by the company
- Explain the rules and practice in determining when a remittance occurs including anti-avoidance measures
- Explain and apply any relief available for losses in a foreign trade and the basis for this relief
- Compute any tax, PRSI or Universal Social Charge applicable to Case III income

#### Taxation of Other Income: Schedule D Case IV

- Categorise the statutory sources of income assessable under Case IV
- Categorise the items taxable under the general case IV charge
- Interpret legislation to explain how relief is granted for losses under Case IV
- Compute any tax, PRSI or Universal Social Charge applicable to Case IV income

#### Taxation of Irish Dividends: Schedule F

- Apply the scope and basis of assessment of Schedule F to shares received in lieu of dividends (scrip dividends)

- Illustrate how tax relief is given for Irish dividend withholding tax suffered
- Compute the tax, PRSI and Universal Social Charge due on receipt of dividends from an Irish company

## 5. Advise on the taxation of Irish source employment income in practical situations

### Taxation of employment income: Schedule E

- Outline the standard provisions of an employment contract and the main rights of employees
- Distinguish between the terms “employee” and “self-employed” and outline the taxation implications of an individual’s employment status
- Explain what considerations should be taken into account in determining the status of a worker
- Interpret case law and use the principles to distinguish between the terms “employee” and “self-employed”
- Apply the rules of Schedule E to determine the tax treatment of payments received by employees
- Apply the rules of Schedule E to determine the tax treatment of salary sacrifice schemes
- Judge whether income is taxable under Schedule E and compute the tax, PRSI and Universal Social Charge due on Schedule E income

## 6. Compute the income tax liability of a non-resident in receipt of Irish source income individuals

### Personal tax charges, allowances, credits and exemptions

- Outline the tax credit entitlements of non-residents and compute the Irish tax liability of non-resident individuals in receipt of Irish source income

## 7. Advise on the application of tax incentives, charges on income and explain why the restriction on “specified reliefs” for high earners was introduced’

### Employment and Investment Incentive EII Relief

- Conclude, based on tax law, the tax relief available for investments in a qualifying EII scheme
- Explain and communicate to taxpayers the tax implications on the disposal of any investments on which EII relief was claimed
- Judge whether EII relief applies and compute the relief available on an investment in EII and any tax due on the disposal of that investment and communicate advice to taxpayers in a comprehensive way

### Charges for income tax purposes

- Conclude, based on tax law, what relief is available to an individual on annual payments and patent royalties
- Judge what relief is available to an individual who has made payments which could qualify as charges on income and calculate any relief

### Restriction of “specified reliefs” for high earners

- Explain why the restriction on “specified reliefs” for high earners was introduced

## **8. Advise on the taxation of married, cohabiting, separated, widowed and divorced couples and civil partners**

### **Taxation of married couples, civil partnerships and cohabiting couples**

- Explain how residency impacts on the taxation of married couples or civil partners and calculate any relief available
- Explain the tax treatment of separated/divorced couples and the options available to a separated/divorced couple in relation to the taxation of maintenance payments
- Outline the entitlement of a separated couple to claim certain tax credits, and contrast with the entitlement of a married couple or civil partners living together
- Describe the tax issues surrounding the payment of a mortgage on a family home in the context of divorce/separation
- Explain the CGT reliefs available on the transfer of assets between spouses or civil partners living together (on separation and on divorce/dissolution of the civil partnership) and on the transfer of assets following the ending of a relationship between cohabitants, listing the conditions
- Calculate the tax, PRSI and Universal Social Charge for a married couple or civil partners

## **9. Advise on the sale or succession of incorporated and unincorporated businesses**

### **Reliefs on sale or succession of businesses and companies**

- Interpret the legislation providing for CGT relief on the disposal of a business/company
- Define key terms specific to retirement relief
- Explain how retirement relief applies in the context of certain disposals
- Contrast retirement relief available for sole traders and shareholders
- Explain if/when marginal relief is available
- Outline the impact of change in ownership on the eligibility to claim retirement relief
- Compute the CGT due on a disposal to which retirement relief applies
- Contrast retirement relief and revised entrepreneur relief
- Assess what taxes and reliefs apply on the disposal of a family business/company

### **Incorporation of a business**

- Assess what CGT reliefs apply on the incorporation of a business
- Assess the income tax implication of the disposal of a business by a sole trader



## 10. Describe the transactions that give rise to, and the relief available for, the deduction of income tax at source

### Withholding taxes which apply to individuals

- Judge if withholding tax must be applied, and calculate the credit available in an income tax or CGT computation for withholding tax
- Judge if professional services withholding tax (PSWT) applies, calculate the credit available and explain the administrative requirements
- Judge if withholding tax applies on payments to sub-contractors, apply withholding tax, calculate the credit available and explain the e-RCT compliance system

## 11. Advise on the application of specific anti-avoidance rules

### Anti-avoidance

- Explain why market value is sometimes imposed instead of using the transaction price
- Explain why there are anti-avoidance rules which deal with assets subject to a right or restriction
- Explain how assets subject to a right or restriction are valued for CGT purposes
- Explain why there are anti-avoidance rules which deal with assets disposed of in a series of transactions
- Explain how disposals which are carried out in a series of transactions are treated for the purposes of CGT
- Calculate the tax due when these anti-avoidance rules are applied

## 12. Analyse and advise on Revenue audits and powers

- Describe the courses of action open to a taxpayer prior to a Revenue Audit
- Describe what is involved in a Revenue Audit
- Outline key practical rules for the conduct of Revenue Audits
- Describe the courses of action open to a taxpayer in relation to non-audit Revenue interventions
- Explain what records a taxpayer is obliged to retain
- Describe Revenue's powers to:
  - inspect documents and records
  - require production of accounts and books
  - involve the Gardai
- Describe the penalty provisions
- Apply the legislation and Code of Practice to a set of circumstances and advise a taxpayer of their rights and obligations

# Business Taxes: Application & Interaction

This module draws on knowledge from Personal & Business Taxes Fundamentals and Capital Taxes Fundamentals on Part 1. It covers rules that apply specifically to companies and also covers accounting for tax. It involves referring to and interpreting the relevant provisions of the Taxes Consolidation Act 1997 and applying the findings of relevant case law throughout.

## Learning Objectives

On completion of this module, students will be able to:

1. Apply analytical skills to calculate the liability to tax for companies in various scenarios.
2. Advise on the taxation of intellectual property and the availability of research & development tax credits. Apply the rules of CGT to the disposal of business assets and investments.
3. Advise on the common business transactions that can give rise to withholding taxes and apply in practical situations.
4. Advise on the taxation of close companies in practical situations.
5. Analyse financial reports and extract relevant information from financial reports, account for business taxation and explain its impact on the disclosures in the financial reports.
6. Understand the tax compliance cycle for business taxes and identify when any business tax returns must be filed and any tax due paid. Complete the annual tax return for companies. Determine if any interest or penalties apply in the case of non-compliance.

## Assessment

End of course Exam      100%

## 1. Apply analytical skills to calculate the liability to tax of companies in various scenarios

### Interest

- Outline the different types of security that can be given for borrowings
- Compare floating and fixed charges from the borrowers and lenders perspectives
- Describe why a business might reserve title to goods sold
- Outline the three ways in which interest paid by a company can be deductible for corporation tax, including interest as a charge
- Describe how recovery of capital, or deemed recovery of capital, can affect relief for interest
- Outline when interest is treated as a distribution and the elections available

### Other charges on income

- Explain what is meant by “a charge on income”, and identify when it arises
- Conclude, based on tax law, what is meant by an annual payment and when it arises
- Conclude, based on tax law, what relief is available for charges on income
- Distinguish relevant trade charges and other charges and outline the relief available for each
- Calculate the relief available for charges on income
- Judge the optimal use of charges for a given set of circumstances

### Relief for losses

- Interpret the rules for trading loss relief and explain how they apply to a set of facts
- Conclude on the use of trade charges to create or augment a trading loss and the displacement of trading losses carried forward by non-trade charges
- Explain the restriction to trading loss relief that occurs on a change in ownership and in the nature or conduct of a trade
- Compare the loss relief available to an Irish company for its Irish trade to that available for foreign trades
- Conclude on the relief available for rental losses
- Calculate the taxable profits for Irish and foreign properties after claiming loss relief
- Assess if there are special loss relief rules relating to other sources of income and if relevant, apply these rules to calculate the applicable relief
- Judge what loss reliefs are available and what restrictions apply. Apply all loss reliefs and restrictions in the correct order, and identify any relief to be carried forward

## 2. Advise on the taxation of intellectual property and the availability of research & development tax credits. Apply the rules of CGT to the disposal of business assets and investments.

### Intellectual property & research & development

- Outline the main forms of intellectual property and how they are exploited
- Describe the main registration procedures for various forms of intellectual property
- Describe the legal protections available for intellectual property

- Compare the circumstances in which licensing of intellectual property through Ireland is taxable as a trade and as an investment and judge which treatment is correct for a given set of circumstances
- Set out the tax reliefs available in relation to specified intangible assets and apply in practical situations
- Explain the application of the research & development tax credit
- Explain the relief for key employees engaged in research and development
- An awareness of the knowledge development box

### **Disposals of business assets and investments**

- Apply the rules of CGT to gains of a company when disposing of a business asset or investment
- Explain the possible treatments of interest charged to capital for CGT purposes

## **3. Advise on the common business transactions that can give rise to withholding taxes and apply in practical situations**

### **Distributions**

- Define a “distribution” for tax purposes and compare it to a distribution for company law purposes and accounting purposes
- Outline how dividend withholding tax applies to a distribution
- List the exemptions from dividend withholding tax and associated administrative requirements and apply these in practical situations
- Assess the income tax or CGT implications of distributions *in specie* and the accounting treatment of these
- Outline the tax implications of scrip dividends and the accounting treatment of these
- Judge whether a transaction will be treated as a distribution for tax purposes and if so, calculate the tax arising on the distribution
- Compare the taxation of distributions to the taxation of other methods of extracting cash from companies
- Conclude on when different methods of cash extraction are most appropriate

### **Annual payments**

- Conclude on the application of withholding tax under Irish domestic legislation
- Explain the administrative requirements for withholding tax
  - Patent royalties and annual payments
  - Interest
  - Loans to participators
  - Others
  - Account for dividend withholding tax on royalties and interest
- Judge if withholding tax applies, calculate the withholding tax, identify the tax return entries required and outline the appropriate accounting treatment

## **4. Advise on the taxation of close companies in practical situations**

### **Close companies**

- Explain the reason behind close company rules
- Outline the meaning of terms specifically related to the close company rules
- Outline which companies are specifically excluded from being close companies

- Judge whether a company is a close company or not
- Detail the issues surrounding the provision of benefits to participators and associates
- Detail the issues surrounding assets held on trust for participators and associates
- Detail the issues surrounding interest paid to directors and directors' associates, detail the transactions that affect the Director's current and loan accounts
- Detail the issues surrounding the transfer of assets at an undervalue
- Detail the issues surrounding loans to participators
- Calculate the surcharge on undistributed investment and estate income
- Calculate the surcharge on service companies
- Recommend how a company can still meet its commercial objectives while reducing the surcharge payable

## **5. Analyse financial reports and extract relevant information from financial reports, account for business taxation and explain its impact on the disclosures in the financial reports**

### **Accounting for tax charges and provisions**

- Calculate the deferred tax expense (or income) for the Statement of Comprehensive Income
- Calculate the deferred tax provision for the Statement of Financial Position

### **Supporting the financial accounting and audit teams in reporting tax charges and provisions in the reporting cycle**

- Set out the requirements of the accounting standards (under FRS 102 & FRS) relevant to the reporting of deferred tax.
- Reconcile the current expected tax charge with the current tax expense or income
- Set out the main differences between financial statements prepared under FRS 102 and under IFRS, and identify which entities are most likely to report under FRS 102 and which under IFRS
- Outline the tax issues that arise when Financial Statements are subsequently amended (IFRS and FRS102)

### **Financial audit**

- Understanding of the legal requirements concerning the presentation and maintenance of financial accounts.
- Outline and apply how tax balances are audited for purposes of the audit report in Irish financial statements and how the audit work is evidenced
- Outline and apply when audit adjustments are required in tax balances for financial statements
- An awareness of how uncertain tax positions arise in Irish financial statements and the appropriate provisioning
- An awareness of the main requirements for disclosing uncertainties in income tax provisions (FIN 48)

**6. Understand the tax compliance cycle for business taxes and identify when any business tax returns must be filed and any tax due paid. Complete the annual tax return for companies. Determine if any interest or penalties apply in the case of non-compliance.**

**Administration of corporation tax**

- Describe the self-assessment system as it applies to companies
- Outline the corporate tax exemption for start-up companies
- Interpret legislation to outline a company's obligations under the Pay and File system
- Use legislation to outline what reliefs can be denied to companies who fail to meet their Pay and File obligations
- Describe when an error or mistake claim may be made and the reasons for so doing
- Describe when an expression of doubt may be made and the benefits of so doing
- Explain company secretaries' liability to pay certain penalties
- Assess the pay and file obligations of a company and prepare a corporate tax return
- Understand the mandatory requirement to file accounts and computations in iXBRL format

# Indirect Taxes: Application & Interaction

This module covers how indirect taxes apply to transactions within the EU and internationally and with the administration of each indirect tax. It involves referring to and interpreting the relevant provisions of the Value-Added Tax Consolidation Act 2010 and other regulations and applying the findings of relevant case law throughout.

## Learning Objectives

On completion of this module, students will be able to:

1. Analyse and explain why and how Ireland imposes VAT.
2. Outline the charge to VAT and how it applies to the supply of goods and services.
3. Outline how VAT applies to the supply of goods and services and how it applies to cross border supplies.
4. Identify and analyse the correct amount chargeable to VAT (excluding hire purchase), and explain how under and overpayments are treated and the rates of VAT.
5. Identify and analyse the correct deduction available for VAT incurred or paid in relation to complex scenarios including qualifying activities; and case law.
6. Explain and advise on the administration of the VAT system including completion of the relevant returns on ROS offline.
7. Explain the VAT implications involving property transactions (introduction).
8. Explain the rules in relation to overpaid VAT and accounting for VAT.
9. Advise on the application of Local Property Tax.

## Assessment

End of course Exam	100%
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## 1. Analyse and explain why and how Ireland imposes VAT

### Introduction to Indirect Taxes

- Explain the differences between direct and indirect taxes
- Find your way through the VAT Consolidation Act 2010 (as amended)
- Set out the different rates of VAT

### VAT in Ireland

- Describe how VAT is operated in respect of actual transactions and deemed transactions
- VAT on chain of transactions
- Outline some basic rules and concepts of VAT

### Irish VAT in the EU Context

- Outline the European dimension to Irish VAT
- Explain the mission of the CJEU in respect of VAT
- Identify the key sources of VAT law applicable to Irish VAT

## 2. Outline the charge to VAT and how it applies to the supply of goods and services

### Charge to VAT

- Identify if a transaction is within the scope of VAT
- Outline what is meant by the “charge to VAT” in Ireland and identify the relevant criteria
- Define the term “business” and identify exclusions from being “in business” for VAT purposes
- Define the term “accountable person” and outline the implications of being an accountable person
- Outline who is required to register for VAT and set out when a trader may wish to elect to register for VAT or cancel an election
- Describe the anti-fragmentation rule
- Explain what is meant by a VAT exempt activity
- Differentiate between a transaction that is outside of the scope of VAT, a transaction that is VAT exempt and a transaction that is “zero-rated”
- Explain how a person can engage in both VATable and VAT exempt activities

## 3. Outline how VAT applies to the supply of goods and services and how it applies to cross border supplies

### Supply of Goods

- Define what is meant by a “good”
- Define what is meant by the supply of goods
- Outline the VAT registration thresholds for the supply of goods
- Describe what is meant by a self-supply
- Outline transactions that are deemed not to be a supply of goods
- Define a gift for VAT purposes and outline the VAT treatment of gifts
- Differentiate between supplies of goods and deemed non-supplies



### Cross Border Supplies – Goods

- Outline the place of supply rules for the supply of goods
- Outline the VAT treatment of intra-community supplies and acquisitions of goods
- Outline what is meant by triangulation and when triangulation relief is available
- Outline the VAT Quick fixes – 1 January 2020
- Outline the VAT treatment of distance sale of good in the EUs
- Outline the VAT treatment of exports of goods outside the EU
- Outline the VAT treatment of imports of goods from outside the EU

### Supply of Services

- Define what is meant by the supply of services
- Outline the VAT registration thresholds for the supply of services
- Describe the self-supply rules in relation to services

### Cross Border Supplies – Services

- Outline the general place of supply rules for the supply of services
- Outline the main exceptions to the general place of supply rules
- Outline how the VAT treatment of cross-border supplies is affected when an agent is involved
- Outline the “use and enjoyment” provisions

### Agents

- Outline what is meant by an “agent”
- Compare the treatment of supplies made by a disclosed agent and an undisclosed agent

## 4. Identify and analyse the correct amount chargeable to VAT (excluding canteens and hire purchase), and explain how under and overpayments are treated and the rate of VAT

### Amount Chargeable to VAT

- State the general rule for the amount chargeable to VAT
- Explain how expenses incurred and re-charged on invoices are treated for VAT purposes
- Explain the VAT treatment and calculate the amount chargeable to VAT
- Analyse a set of circumstances and identify what supplies have taken place and the VAT applicable
- Explain the interaction of excise duty and VAT in determining the amount chargeable to VAT

### Consideration

- Explain the VAT treatment of non-monetary consideration
- Explain when the open market value is imposed instead of the actual consideration
- Explain the VAT treatment of excess consideration received by a supplier

### Rates of VAT

- Outline what is meant by a ‘determination’ under Section 51 VATCA10 in respect of VAT rates
- Outline the VAT treatment of “composite” supplies and “multiple” supplies

- Outline what is meant by the “two-thirds rule”
- Outline the VAT rating treatment of goods made up
- Describe the VAT treatment of food and drink prepared by a caterer
- Describe the VAT rating treatment of letting of machinery
- Describe the VAT rating treatment of imports of goods
- Describe the VAT treatment of intra-Community acquisitions of goods

### **Administration arising from Cross Border Supplies**

- Describe the requirements to file INTRASTAT return
- Describe the requirements to file VIES statements
- Describe how Irish VAT may be recovered by foreign traders and how foreign EU VAT may be recovered by Irish traders
- Outline any reliefs that are available to Irish persons principally involved in cross-border supplies (section 56 VATCA10 Authorisation)
- Outline the VAT 60 A relief available to non-Irish traders

## **5. Identify and analyse the correct deduction available for VAT incurred or paid in relation to complex scenarios including qualifying activities; and case law**

### **Deductible and Non-deductible VAT**

- Outline the general rule on the deductibility of VAT
- List the categories of costs on which an input VAT credit generally is available
- List the categories of costs on which an input VAT credit generally is not available
- Define “qualifying activities” for VAT purposes and explain their relevance to the recovery of VAT paid
- Outline the procedures for apportionment of VAT
- Calculate the input VAT credit when apportionment is necessary

## **6. Explain and apply the administration of the VAT system including the completion of the relevant tax returns on ROS offline**

### **Administrative Aspects of VAT**

- Define a ‘taxable period’ for VAT purposes
- Describe the different VAT returns and when each is applicable
- Describe annual return of trading details
- Outline how to complete a VAT3 return
- Outline some penalties that apply in the case of non-compliance with filing requirements
- Outline options available to the Revenue when a person under-declares their VAT or over-claims a refund
- Outline options available to the Revenue when a person fails to register for VAT or fails to file a return
- Outline the requirements of a valid VAT invoice
- Outline the time limits for issuing invoices
- Outline the requirements of a valid credit note and a valid debit note
- Describe the taxpayer’s obligation to keep records

- Outline the Revenue's obligations in relation to VAT registrations
- Outline the taxpayer's obligations and choices in relation to VAT registration

### **Schemes for Accounting for VAT**

- Outline the invoice and cash receipts method of accounting for VAT on sales
- Account for VAT on sales and purchases and reconcile to the VAT returns

## **7. Explain the VAT implications involving property transactions (introduction)**

### **Introduction to VAT on Property**

- Outline the VAT treatment of sales of immovable property completed post 1-July 2008
- Outline when the supply of immovable property is liable to VAT
- Describe how supplies of residential property are treated for VAT purposes (Section 94(8) VATCA10)
- Explain the anti-avoidance provisions relating to the sale of building land (Section 94(3) VATCA10)
- Explain how the joint option to tax supplies of property operates
- Outline why a sales agreement over property should contain a VAT clause
- Outline the VAT registration threshold in relation to the supply of property
- Outline the VAT treatment of leases granted from 1 July 2008 including an analysis of the key features of a lease, the different types of tenancies and the legal contrast between a lease and a licence
- Explain the VAT treatment where a property developer leases a residential property prior to its supply

## **8. Explain the rules in relation to overpaid VAT and accounting for VAT**

### **Overpaid VAT**

- Outline when a taxpayer is entitled to a repayment of VAT
- State when a taxpayer is entitled to statutory interest on the repayment of VAT

# Capital Taxes: Application & Interaction

This module builds on the Part 1 Capital Taxes Fundamentals module and covers the taxation of gifts and inheritances, the use of trusts for succession planning and the administration of capital acquisitions tax. It also covers identifying when stamp duty arises and when it is payable. It involves referring to and interpreting the relevant provisions of the Capital Acquisitions Tax Consolidation Act 2003; the Stamp Duties Consolidation Act 1999 and the Taxes Consolidation Act 1997, as well as relevant statutory instruments, and applying the findings of relevant case law throughout.

## Learning Objectives

On completion of this module, students will be able to:

1. Advise on the administration of an estate, related legal issues and the taxation of inheritances including any tax planning opportunities available.
2. Assess the international aspects of CAT, including anti-avoidance provisions and double tax relief.
3. Calculate the value of gifts and inheritances and compare and apply this value to that used for CGT purposes.
4. Determine the type of trust that exists and explain why they are used in practice with particular emphasis on the tax arising on the transfer of assets to the trust, the tax arising within the trust and the tax arising on the assets being appointed from the trust.
5. Identify when a CAT return must be filed and any tax due paid and manage the related tax compliance calendar including completion of the relevant return on ROS offline. Determine if any interest or penalties apply in the case of non-compliance.
6. Analyse tax legislation and advise taxpayers on the application of specific anti-avoidance rules.
7. Identify the rate of stamp duty, if any, which arises on a transaction and apply in-depth knowledge of tax law and the compliance process to support taxpayers meeting their tax obligations.
8. Identify when a stamp duty return must be filed and any tax due paid. Determine if any interest or penalties apply in the case of non-compliance.

## Assessment

End of course Exam	100%
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## **1. Advise on the administration of an estate, related legal issues and the taxation of inheritances including any tax planning opportunities available**

### **Administering an estate and related legal issues**

- Explain what is meant by a “will”
- Outline how a will can be revoked
- Outline sample clauses contained in a will
- Outline how and why an executor extracts a grant of probate
- Outline why a grant of administration is taken out
- Outline how a grant of administration is taken out and who is entitled to do so
- Explain how and why a grant of probate/grant of administration can be revoked
- Outline the steps involved in the administration of an estate
- Explain what a Statement of Affairs (Probate) is and when it is used
- Outline the main terms of the Succession Act 1965
- Define a “disclaimer” and outline what happens to a benefit that has been disclaimed
- Compare the effect of a disclaimer on intestacy to a disclaimer under a will
- Rearrange the proposed plan of action so as to achieve the same commercial goal but availing of any relief available

### **Miscellaneous CAT issues relating to estates**

- Outline CAT issues surrounding payments out of estates
- Outline the CAT implications of legacies lapsing
- Examine dispositions involving estates and calculate any CAT arising

### **Policies of assurance**

- Outline the CAT treatment of payments under life assurance policies
- Outline the CAT treatment of insurance proceeds paying inheritance tax and gift tax (“Section 60” and “Section 119” type policies)
- Examine dispositions involving policies of assurance and calculate any CAT arising

## **2. Assess the international aspects of CAT, including anti-avoidance provisions and double tax relief**

### **Anti-avoidance**

- Explain the anti-avoidance rules relating to foreign-controlled private registered companies and why they were introduced
- Examine dispositions involving a foreign controlled private company and calculate any CAT arising

### **Double taxation relief**

- Describe how double taxation relief is granted in Ireland for tax suffered on a gift or an inheritance in other jurisdictions

### 3. Calculate the value of gifts and inheritances and compare and apply this value to that used for CGT purposes

#### Basic valuation rules

- Explain how the market value of a benefit is ascertained for CAT purposes
- Outline any exceptions to the general open market value requirement
- Compare this requirement to the CGT market value requirement

#### Annuities and limited interests

- Outline how rights derived from other assets are valued for CAT purposes using the slice principle
- Describe how gifts or benefits with claims arising are valued
- Describe how annuities not charged on property are valued
- Describe how limited interests are valued
- Examine dispositions involving limited interests and calculate any CAT arising

#### Powers of revocations and contingencies

- Describe how a benefit, which is subject to a power of revocation, is treated for CAT purposes
- Describe how a benefit, which is subject to a contingency, is treated for CAT purposes
- Examine dispositions involving a power or revocation or contingency and calculate any CAT arising

#### Property, including real property

- Outline how mortgages charged to a property are treated for the purposes of CAT
- Contrast joint tenants with tenants in common
- Outline how the free use of property is charged to CAT
- Examine dispositions involving real property and calculate any CAT arising

#### Private companies

- Assess if a company is a private company for CAT purposes
- Outline how shares in private companies should be valued for CAT purposes
- Compare the valuation for CAT with the valuation used for CGT
- Examine dispositions involving private companies and calculate any CAT arising

#### Family businesses, including farms

- Identify if any relief is available on a disposition involving land
- Outline any claw back provisions applicable to agricultural relief
- Identify if any relief is available on a disposition involving a business
- Outline any claw back provisions applicable to business relief
- Compare agricultural and business relief
- Compare these two CAT reliefs with the CGT relief available to the disponent and apply the CAT reliefs and the CGT relief to various scenarios
- Describe the relief available for “favourite nephews”
- Outline the conditions which must be met in order to qualify for “favourite nephew” relief
- Examine dispositions involving family businesses and calculate any CAT arising

#### **4. Determine the type of trust that exists and explain why they are used in practice with particular emphasis on the tax arising on the transfer of assets to the trust, the tax arising within the trust and the tax arising on the assets being appointed from the trust**

##### **Introduction to trusts**

- Define a trust
- Identify the type of trust that exists
- Outline the office, duties and powers of a trustee

##### **Bare trusts**

- Define a bare trust
- Examine dispositions involving a bare trust and calculate any CAT arising

##### **Fixed trusts**

- Define a fixed trust
- Apply the charge to CAT to a fixed trust
- Explain the tax arising on disposals of interests created under a fixed trust
- Explain how the failure of a limited interest affects the charge to CAT
- Examine and apply dispositions involving a fixed trust and calculate any CAT arising

##### **Powers of appointment**

- Compare a general power of appointment to a special power of appointment
- Outline how a power of appointment can affect the tax payable on the benefit
- Analyse a set of circumstances, and determine whether any of these provisions are applicable
- Examine dispositions involving a power of appointment and calculate any CAT arising

##### **Discretionary trusts**

- Define a discretionary trust for CAT purposes, and contrast this with its legal definition
- Outline the appointments from a discretionary trust that give rise to gift or inheritance tax
- Apply the valuation date of gift/inheritance rules in the context of a discretionary trust
- Determine whether any discretionary trust tax is payable

#### **5. Identify when a CAT return must be filed and any tax due paid and manage the related tax compliance calendar including completion of the relevant return on ROS offline. Determine if any interest or penalties apply in the case of non-compliance.**

##### **Administration of taxes included in the CATCA 2003**

- Identify who the accountable persons are for CAT
- Using legislation, outline the self-assessment system for the collection of tax and complete the returns for individuals to manage their filing obligations and manage their compliance calendar
- Describe and compute the consequences of failing to file a return or pay a tax liability in full and on time
- Describe the appeals process as it applies to an individual within the self-assessment system

## **6. Analyse tax legislation and advise taxpayers on the application of specific anti-avoidance rules**

### **Gift-splitting**

- Analyse legislation to define connected dispositions, including onward gifts before first gift
- Outline any exceptions to the gift-splitting rules
- Explain the need for rules relating to dispositions enlarging the value of property
- Outline the rules relating to dispositions enlarging the value of property
- Identify and apply if any anti-avoidance provisions apply and calculate the CAT arising

### **Provisions affecting companies**

- Explain how dispositions to and by a company are treated for CAT
- Describe and apply the CAT treatment of gifts between associated companies

## **7. Identify the rate of stamp duty, if any, which arises on a transaction and apply in-depth knowledge of tax law and the compliance process to support taxpayers meeting their tax obligations**

### **Introduction to stamp duty**

- Identify the events that can give rise to stamp duty
- Identify the heads of charge for stamp duty
- Outline the territorial scope of stamp duty
- Explain the meaning of terms when used in the context of stamp duty
- Outline the main source of law for stamp duty
- Understand some special principles of stamp duty
- Outline the rates of stamp duty

### **The charge to Stamp Duty - sales**

- Assess whether a transaction is a sale & judge whether there is a stampable document for the sale
- Understand the meaning of the term “conveyance on sale”
- Identify whether a conveyance on sale is within the charge to stamp duty
- Understand the charge to stamp duty on certain contracts for sale

### **The charge to Stamp Duty - Leases**

- Assess whether a transaction is a lease and differentiate between a lease and an agreement for lease.
- Identify a lease at undervalue
- Explain how lease transfers and lease surrenders are treated for stamp duty purposes
- Identify whether a transaction involving a lease is within the charge to stamp duty

### **The rate of stamp duty**

- Identify the correct rate of stamp duty that applies to a sale of non-residential property
- Identify the correct rate of stamp duty that applies to a lease and to a sale of shares
- Understand the interaction of stamp duty and VAT
- Understand the extent of double taxation relief for stamp duty



### Stampable value

- Assess where market value is imposed for stamp duty
- Identify the amount on which stamp duty is chargeable
- Identify the amount on which stamp duty is payable where the consideration is in a foreign currency
- Compare the market value rules for stamp duty to those of, CGT
- Calculate the stamp duty applicable to a contract for sale

### Real property

- Calculate the stamp duty on a transfer of residential property
- Explain how stamp duty applies to site sales combined with building contracts (for residential property and commercial property)
- Describe the stamp duty treatment in practical property transactions
- Describe the stamp duty treatment when a mix of residential and non-residential property is purchased
- Identify situations where a 6% stamp duty charge applies to transfers of interests in certain entities deriving their value from Irish non-residential property
- Describe the stamp duty rebate scheme for land acquired to develop residential property
- Assess how much stamp duty is payable on a property transaction

### Business assets and investments

- Assess how much stamp duty is due on a distribution *in specie*
- Describe the exemptions from stamp duty on business assets and investments
- Describe the loan capital exemption and understand where it applies
- Assess how much stamp duty is payable on a transaction involving business assets or investments

### Married couples and civil partners

- Explain and access the stamp duty reliefs available to spouses/civil partners on the transfer of assets while living together and the relief available on dissolution of marriage/civil partners

## 8. Identify when a stamp duty return must be filed and any tax due paid. Determine if any interest or penalties apply in the case of non-compliance

### Administration of stamp duty

- Identify the accountable person for stamp duty and payment of the tax due
- Describe the self-assessment system, appeals and refunds for stamp duty purposes
- Describe the e-Stamping system
- Describe penalties, surcharges and Revenue powers included in the Stamp Duties Consolidation Act 1999
- Apply the penal provisions of the Taxes Consolidation Act 1997 to stamp duty

### Introduction to Stamp Duty Groups

- Explain how associated companies relief operates

# Professional Skills

The purpose of the professional skills module is to ensure students obtain the key skills required to provide a high standard of tax advice which is expected from a Chartered Tax Adviser (CTA). The module is intended to develop the skills of research and written communication which are vital when working as a CTA. These skills are used daily when working as a CTA.

The assessment of this module will involve providing detailed advice to clients, colleagues or other advisers. In order to provide this technically accurate advice students will be required to carry out detailed research evidencing knowledge of a wide range of tax issues and demonstrate the ability to give clear, concise and relevant written advice which is comprehensive, technically accurate and commercially sound. Written communication is a critical part of this module and students should always bear in mind who they are communicating with.

## Learning Objectives

Upon completion of this module students will be able to:

1. Understand the relevant sources of law and interpret legislation and case law
2. Carry out research to investigate and evaluate tax issues and possible alternatives leading to technically sound conclusions.
3. Translate research (file note) into written tax advice.

## Assessment

Professional Skills Assignment (100%)

## 1. Understand the relevant sources of law and interpret legislation and case law

- Identify the hierarchy of sources of law
- Describe common law as a source of law
- Describe Irish domestic legislation as a source of law
- Explain the Constitution as a source of law
- Describe the various sources of European law
- Assess the interaction of the Constitution with European law
- Assess the interaction of legislation with the Constitution and European law
- Describe other sources of law
- Understand the Irish Courts system in a tax context and have an awareness of the Court of Justice of the European Union
- Explain the presumptions that apply in interpreting legislation
- Set out the rules of statutory interpretation
- Identify other aids to the interpretation of legislation
- Explain judicial precedent as a source of law
- Identify the different elements of a judgement

## 2. Carry out research to investigate and evaluate tax issues and possible alternatives leading to technically sound conclusions

- Review the case study presented to identify the advice being sought
- Identify the potential tax issues under all tax heads from the case study
- Research independently across Irish and international law as applicable to the tax issues, using the legislation and Taxfind
- Prepare and evaluate evidence-based conclusions
- Identify any potential tax opportunities arising from the fact presented or alternatives to a transaction presented in the case study, if applicable, bearing in mind the clients ultimate objective and purpose for the transaction.
- Research the consequences of alternative potential transactions and ensure they result in the clients objective being met.
- Prepare a file note documenting the research undertaken which clearly identifies the facts, the tax issues arising therefrom and the tax implications for the parties to the transaction. The research should be written clearly and should reference the legislation and its application to the facts. The purpose of the file note is to document the research and outcome of that research. The file note should be comprehensive, and in that regard a colleague should be able to review the file note and equally advise the client based on the content therein.

## 3. Translate research (file note) into written tax advice

- Consider the end reader of the advice to determine the language to be used in the advice letter or email
- Prepare a letter or email providing the advice to your colleague, your client, or other professional adviser, letters should be comprehensive and technically accurate and written in a concise manner bearing in mind the reader of the advice
- Prepare an executive summary to be included in the advice letter or email

# Advanced – Part 3

## Competencies of a Chartered Tax Adviser (CTA) student (on completion of Advanced – Part 3)

Using the following skills:					
Perform the following roles:	Analysis	Judgement	Communication	Interaction with others	Project management
<b>Investigate and evaluate tax issues</b>	Carry out focused research across Irish and international tax law and Revenue practice leading to technically sound conclusions	Evaluate alternative potential solutions and identify optimal outcomes for complex business issues	Document the business, financial and tax implications of alternative potential solutions to enable stakeholders decide on an appropriate course of action	Participate in a multi-disciplinary team of advisers in an investigation or evaluation	Understand the processes required to ensure that selected strategies are executed and actions are appropriately documented and evidenced
<b>Provide and implement tax advice</b>	Provide clear and unambiguous taxation advice on business decisions, investment transactions and life events	Identify the legal and financial consequences of proposed actions, to ensure that advice is both technically sound and commercially appropriate	Translate complex legal concepts and communicate implications to taxpayers, including individuals, companies and other entities	Interact with other professionals to provide and implement comprehensive advice to businesses and individuals	Support the successful implementation of tax strategies by planning and project management
<b>Represent taxpayers</b>	Analyse tax policies and procedures by reference to their appropriateness for the Irish social and economic environment	Evaluate the strengths and weaknesses of tax positions by reference to legislation, case law and precedent	Understand the role of a tax adviser in representing and defending taxpayers and apply this role to practical circumstances	Interact professionally with taxpayers and tax authorities	Understand and apply the procedures involved in Revenue audits and tax appeals
<b>Supporting taxpayers to be tax compliant</b>		Assist taxpayers to identify and resolve uncertain tax positions	Communicate with the taxpayer and with Revenue on complex tax return issues		Review a full range of corporate and personal tax returns for businesses and individuals
<b>Financial accounting for tax balances</b>		Identify the accounting consequences of tax transactions		Interact with financial accounting and audit specialists to resolve the presentation of tax issues in financial statements	

# Advanced Direct Tax: Domestic

This module draws on knowledge from earlier parts on the taxation of individuals and businesses. It will cover income tax, corporation tax, capital gains tax, capital acquisitions tax and stamp duty.

The overarching learning objectives for this module are detailed below. Each overarching learning objective is sub-divided, in the pages which follow, into detailed learning outcome and for ease of reference these learning outcomes have been grouped together as chapters in your manuals.

In summary the module covers corporate tax groups and will analyse the tax treatment of transactions between companies and their shareholders. It also covers the tax implications of rewarding employees through share-based methods of remuneration; efficient tax planning for retirement; and wealth planning. Understanding the interaction of taxes is a fundamental area of the module and students will be required to apply their understanding and evaluate and apply legislation, commentaries, statements of practice or case law to practical case studies.

## Learning Objectives

### Operating as a group of companies

1. Analyse and advise on the taxation, legal and accounting issues that arise when companies are members of a group and compare the conditions required to be met to claim relief from capital gains tax, corporate tax and stamp duty together with the relevant clawback provisions in group situations.

*Students will be introduced to companies operating as groups. Students will look at the rules for determining whether two or more companies are members of the same CGT group/corporation tax group and/stamp duty group. Students will be required to understand how group reliefs operate, apply the relief and be aware of the some of the anti-avoidance provisions which exist to ensure that groups do not abuse the relief available.*

### Operating, expanding and/or disposing of a business

2. Advise on the taxation, legal and accounting implications of transactions that occur between companies and their shareholders including the tax treatment of share-based methods of employee remuneration.

*Students will be able to explain the tax treatment for the company and its shareholders where a company buys back or reorganises its shares, it also outlines why a company may decide to take this action. The reliefs available to groups when re-organising the business and amalgamating groups of companies will be covered. Students will be required to compare and advise on the tax implications of rewarding employees through share-based methods of remuneration.*

3. Evaluate and advise on the tax, legal and accounting implications that arise on the acquisition or disposal of a business (whether through sale, hand-down or liquidation)

*Students will cover the tax implications of the sale of a business, whether affected by a transfer of some or all of the assets of the business or by a transfer of shares in a company; it will focus on the importance of structuring the sale in an efficient manner. It will highlight the importance of the due diligence exercise. Students will also cover the tax implications which arise when a business comes to a natural conclusion or fails and it is necessary to appoint a liquidator, examiner or receiver.*

## Personal wealth management

4. Advise on the tax implications arising on common structures used by individuals to manage their personal wealth

*Students will understand why trusts are used commercially and will focus on the tax implications of settling property in a trust, the tax on income/gains arising from trust property, and tax on beneficiaries on distributions of income/gains from the trust. Students will also cover how individuals manage their tax affairs in particularly focusing on: the use of family partnerships, investing in film relief and employment and investment incentive (EII), how high earners and the self-employed respond to income tax policy changes and how they plan for the transfer of wealth in preparation for death.*

## Planning for retirement through the use of pensions

5. Evaluate and advise on the tax treatment of pension contributions and benefits and advise how pensions may be used to provide for retirement in a tax efficient way

*Students will cover tax treatment of contributions to, and benefits received under the different Revenue approved pension schemes. Students will compare managed pension schemes to self-administrated pensions schemes and other methods of providing for retirement from a tax perspective and evaluating alternative retirement plans and potential solutions to identify optimal outcomes to avail of tax reliefs available.*

## Marriage/separation/divorce

6. Advise on the taxation implications of relationship breakdown in Ireland

*Students will cover the legal framework underpinning the rules about the taxation issues associated with separation and divorce to enable students to evaluate a set of circumstances and advise on the tax issues arising in the event of a separation and divorce.*

## Assessment

End of course exam	100%
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## **Operating as a group of companies**

- Analyse and advise on the taxation, legal and accounting issues that arise when companies are members of a group and compare the conditions required to be met to claim relief from capital gains tax, corporate tax and stamp duty together with the relevant clawback provisions in group situations.**

### **Groups**

- Understand why companies operate within a group structures and the special tax rules governing losses, asset transfers and payments within groups

### **Capital gains groups**

- Define a capital gains group
- Explain and apply the group relief available for capital gains
- Illustrate how the relief applies to disposals outside the group
- Apply any restrictions on relief where a company joins a group with existing capital losses
- Describe and apply the implications of a company ceasing to be a member of a group
- Calculate the capital gains group relief available

### **Corporation tax groups**

- Define a group/consortium for corporation tax purposes
- Identify and apply group reliefs available for corporation tax purposes
- Explain the interaction of group relief with other reliefs
- Describe and apply the reliefs in various situations including:
  - Corresponding accounting periods
  - Companies joining or leaving a group
  - Restrictions on group relief

### **Stamp duty groups**

- Define associated companies
- Explain how associated company relief operates
- Apply the restrictions on associated company relief
- Calculate the associated company relief available

### **Comparison of group reliefs for CT, CGT and SD purposes**

- Compare the reliefs available to groups under each tax head
- Define what constitutes as group under each tax head
- Understand the terms used and adjustments necessary when preparing group accounts
- Describe some of the key concepts relating to group re-organisations

## Operating, expanding and disposing of a business

### **2. Advise on the taxation, legal and accounting implications of transactions that occur between companies and their shareholders including the tax treatment of share-based methods of employee remuneration**

#### **Raising, reduction or reorganisation of share capital**

- Apply the tax, legal and accounting implications which arise for a company on raising capital through various means including through the Employment Investment Incentive
- Describe the legal process by which reduction or reorganisation of share capital takes place
- Describe and apply any reliefs available on reorganisations of share capital
- Explain and apply the taxation implications of a company buying its own shares
- Describe and apply any reliefs available on share buy-backs

#### **Reorganisations involving a sale of a company**

- Describe and apply any reliefs available on the transfer of a business to a company
- Apply company reconstructions and amalgamations including
  - A share for share exchange
  - A share for undertaking two-party swap
  - A share for undertaking three-party swap
  - Stamp Duty relief
- Compare the reliefs available for reorganisations and amalgamations
- Outline the Irish and EU law surrounding company arrangements and reconstructions
- Describe how company reconstructions and amalgamations take place
- Describe the legal processes involved in company reconstructions and amalgamations
- Awareness of the legal issues surrounding reorganisations involving a sale of a company including prohibitions and exclusions to financial assistance
- Apply the CGT participation exemption on the disposal of shares and on certain assets related to shares
- Apply valuation techniques for shares in a number of different case studies
- Describe and apply the taxation of earn-outs

#### **Shares and share options**

- Understand why share options and share awards are used in practice and distinguish between them
- Outline the advantages and disadvantages for both employee and employer when share options or share awards are entered into

#### **Part I – Share Options**

- Describe the events that occur in the life of an option: grant; exercise, forfeiture, abandonment and sale
- Explain the taxation of unapproved employment share options and advise on the Key Employee Engagement Programme (KEEP)
- Calculate any Irish income tax and CGT liability arising on an unapproved share option
- Describe the filing requirements for both employer and employee, and any relief available to the employer



## Part II – Share Awards

- Critically compare the use of approved profit sharing schemes, restricted shares (“clog”), forfeitable shares, convertible shares and restricted stock units as a means of rewarding employees. In relation to each, identify any relief available for the employer, describe the employer and employee filing requirements and calculate any related Irish income tax and CGT liabilities
- Explain the taxation of gains made where an employee disposes of shares acquired under these schemes and their employer allows them to sell the shares for more than market value

### 3. Evaluate and advise on the tax, legal and accounting implications that arise on the acquisition or disposal of a business (whether through sale, hand-down or liquidation)

#### Sale and purchase of a business

- Describe an acquisition transaction in overview, identify issues relevant to transaction structuring and describe the due diligence process and other preliminary issues
- Evaluate the financial statements of a business, identifying potential tax due diligence issues
- Identify and interpret the key provisions of share purchase agreements and asset purchase agreements
- Describe the purpose of warranties/indemnities seen in share purchase agreements, asset purchase agreements, the relevance of the disclosure letter, and the principal feature of the tax deed
- Outline the deferred tax requirements under IFRS surrounding the acquisition of a business
- Contrast the taxation implications on the sale of shares to the sale of assets
- Contrast the implications of raising finance for a business acquisition through cash, debt and equity
- Awareness of how dividends out of pre-acquisition profits are treated as a repayment of capital

#### Liquidations/examinership/receivership

- Understand why a receiver, examiner or a liquidator may be appointed and compare when each may be appointed including the process involved.
- Summarise the taxation implications of liquidating/winding-up a company
- Summarise the taxation implications of the liquidation of a family company and analysis the availability of retirement relief
- Apply how CGT applies on the appointment of a liquidator

#### Distressed debt management

- Apply the Irish taxation implications for individuals and companies arising on the write off of debt by a lender
- Outline the tax implications for individuals and companies acquiring debt/loan books and funds, including analysing the availability of an interest deduction and distinguishing the asset from the loan book
- Understand the tax implications for individuals and companies where guarantees are called into effect

## **Personal Wealth Management**

### **4. Advise on the tax implications arising on common structures used by individuals to manage their personal wealth**

#### **Taxation of trusts**

- Contrast the different types of trusts and understand commercially why they may be used in practice including the special rules that apply for permanently incapacitated individuals
- Summarise and apply the charge to income tax, CGT and stamp duty in relation to assets settled on a trust
- Summarise and apply the income tax and CGT rules that apply to trustees on the taxable profits and gains arising from the trust property.
- Calculate the taxable profits and gains of a trust
- Describe the distributions that may be received from a trust and explain the income tax treatment of beneficiaries of a trust
- Describe and identify the anti-avoidance rules that can arise to:
  - A settlor of a revocable trust
  - Trusts in favour of a settlor's children
- Summarise the tax implication for the settlor/beneficiaries of a capital distribution from a trust

#### **Wealth planning: on-going and in preparation for death**

- Advise on how to manage individuals' tax affairs in a tax efficient manner, in particular focusing on investing in film relief, employment and investment incentive (EII) and other tax incentives while considering the restriction of specified reliefs for high earners. Calculate the tax arising based on the advice provided.
- Understand why family partnerships are used and advise on the issues surrounding the holding of assets through a family partnership
- Outline stamp duty relief for farm consideration
- Compare the income tax, CGT and CAT rules which apply in the year of death
- Determine the residency of an estate
- Apply the income tax and CGT treatment of personal representatives and executors
- Outline the income tax treatment applicable to payments of income during the course of administration
- Advise individuals using common estate planning techniques on how to manage their affairs

## Planning for Retirement through the use of Pensions

### **5. Evaluate and advise on the tax treatment of pension contributions and benefits and advise how pensions may be used to provide for retirement in a tax efficient way**

#### **Pensions**

- Evaluate what a pension strives to achieve and compare the options available including managed pension schemes and self-administrated pension schemes
- Compare the pre-retirement pension scheme options
- Evaluate the options available on retirement and the post-retirement scheme options
- Understand other pension tax considerations
- Compare the taxation of managed pension schemes to the taxation of self-administered pension schemes and other options available including investing in property
- Compare a self-employed individual making a pension contribution to a company making contributions for an employee's benefit
- Evaluate alternative retirement plans and potential solutions and identify optimal outcomes to avail of tax reliefs available

## Relationship Breakdown

### **6. Advise on the taxation implications of relationship breakdown in Ireland**

#### **Legal framework surrounding relationship breakdown**

- Outline the main provisions of the law surrounding separation and divorce and contrast a legal separation and a divorce
- Compare voluntary maintenance payments to those under the deed of separation or a maintenance pending suit order
- Evaluate a set of circumstances and apply the law surrounding divorces in Ireland to determine whether the facts presented represent a legally enforceable divorce settlement or a voluntary settlement
- Analyse, compare and advise on the various tax issues associated with separation and divorce in the year of separation/divorce and thereafter including the impact on the family home, the family business and succession planning
- Communicate the tax implications of foreign divorces and remarriage
- Contrast the taxation of married persons with civil partners and cohabitants

# Advanced Direct Tax: International

This module draws on knowledge from earlier parts on the taxation of individuals and businesses. It will cover the international aspects of income tax, corporation tax, capital gains tax, capital acquisitions tax and stamp duty.

The overarching learning objectives for this module are detailed below. Each overarching learning objective is sub-divided, in the pages which follow, into detailed learning outcome and for ease of reference these learning outcomes have been grouped together as chapters in your manuals.

This module concentrates on the Irish tax issues for companies and individuals in an international context. The interaction of different tax jurisdictions is at the heart of this module and students will focus on the double tax relief available when operating internationally, the tax considerations when looking at expending internationally and the migration of labour inwards and outwards. Students will be required to apply their understanding and evaluate and apply legislation, commentaries, statements of practice or case law to practical case studies.

## Learning Objectives

### General Principles of International Taxation

1. Understand and analyse general principles of international taxation and critically analyse international tax policy in Ireland and in our Foreign Direct Investment source jurisdictions – US and UK

*Students will be introduced to the general principles of international tax which will broaden their understanding of Irish tax in an international tax context, in addition students will cover national tax strategies used to attract inward investment.*

### Double Tax Relief

2. Interpret and apply the relief available under double tax agreements to the taxation of Irish and foreign source profits of individuals and companies

*Students will cover how international obligations under our treaty network impacts on Irish tax legislation and will review anti-avoidance provisions that can be encountered in an international context such as transfer pricing and CFC rules. Students will be introduced to how double taxation may be relieved or eliminated through Double Taxation Agreements and how to apply the provisions of our Double Taxation Agreements and understand the provisions of the OECD Model Tax Convention. Students will cover how Irish tax legislation is impacted by our membership of the EU.*

### Migration – inwards and outwards

3. Evaluate complex scenarios to provide technically sound conclusions and advice, including alternatives on the taxation of remuneration from foreign employments and overseas secondments for Irish resident and non-resident individuals

*Students will build on their knowledge of the taxation of employment income and how income tax, PRSI and USC are deducted from such income under the PAYE system and split-year residence relief to the taxation of income from secondments and foreign employments. Students will be required to compare the reliefs available to employees of non-resident employers, calculate any relief and outline*

*its interaction with Double Taxation Agreements. Students will be expected to modify secondment proposals to avail of tax reliefs and devise alternative plans for a foreign employee or a returning expatriate.*

### Individuals and businesses operating internationally

4. Analyse and advise on the taxation and legal issues of businesses and individuals operating internationally.

*Students will examine the key issues companies entering Ireland from abroad need to be aware of. In addition, students will examine and apply some of the provisions of the Irish domestic legislation which require consideration when a company is expanding outside Ireland, and when Irish individuals are in receipt of foreign income.*

### International Investments and disposals of investments

5. Investing and disposal of overseas investments - Advise on the rules regarding offshore investments by individuals

*Students will apply the Irish income tax and capital gains tax treatment for individuals with foreign property. Students will focus on the anti-avoidance provisions that can apply to the transfer of assets abroad by individuals resident and ordinarily resident in Ireland; the Irish taxation treatment of disposals by temporary non-residents and the Irish tax implications for individuals who invest in offshore funds.*

### Assessment

End of course exam	100%
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## **General Principles of International Taxation**

### **1. Understand and analyse general principles of international taxation and critically analyse international tax policy in Ireland and in our Foreign Direct Investment source jurisdictions – US and UK**

#### **Overview of International Tax**

- Explain the international models for the taxation of income
- Understand and analyse Ireland's tax policy and tax strategies for attracting inward investment
- OECD and EU influences on Irish Tax Strategies
- UK and US tax developments

## **Double Tax Relief**

### **2. Interpret and apply the relief available under double tax agreements to the taxation of Irish and foreign source profits of individuals and companies**

#### **Principles of International Tax**

- Describe what double taxation is and illustrate when it arises
- Explain the need and purpose for DTAs, bi-lateral agreements on social security and exchange of information agreements
- Summarise the principles of double taxation relief
- Describe the legal standing of Ireland's DTAs
- Describe the legal effect of the OECD tax convention and its commentary
- Define, interpret and apply the terms of the OECD model tax convention as it relates to individuals
- Analyse the OECD Model Treaty as it applies to business income
- Contrast the Irish and foreign tax impact of the use of a representative office, a branch and a subsidiary company and evaluate when each is appropriate
- Explain the use of holding companies, IP companies and finance companies in internationally operating businesses and the selection of a location for these. Assess Ireland's strengths and weaknesses as a location for these activities
- Explain CFC rules
- Explain some key concepts in international tax including
  - Thin capitalisation
  - Hybrids
  - FATCA
- Explain the concept of, and issues raised by, Base Erosion and Profit Shifting ("BEPS") and analyse the role of the OECD in addressing BEPS and in implementing the BEPS Action Plan.

#### **Transfer Pricing**

- Outline what transfer pricing is and the impact it can have on group effective tax rates
- Apply the key provisions of the Irish transfer pricing regime and outline how Revenue monitors compliance
- Explain how the arm's length principle is applied in accordance with OECD guidance
- Explain the Irish Mutual Agreement Procedures and Advance Pricing Agreements regimes

- Analyse what is meant by correlative relief and when correlative relief may be available in Ireland
- Explain what country by country reporting (CBCR) is and how it applies in Ireland

### **General principles of EU tax law**

- Describe the EC Treaty articles of most relevance to tax issues
- Outline the impact of the EU Mergers Directive and explain the various reliefs provided for under Irish law
- Explain the incidence of withholding tax on income, including the impact of the EU Directives (Parent Subsidiary and Interest and Royalties)
- Outline transfer pricing and exchange of information considerations in a EU context
- Outline the EU strategy to tackle BEPS

## **Migration – inwards and outwards**

### **3. Evaluate complex scenarios to provide technically sound conclusions and advice, including alternatives on the taxation of foreign employments and overseas secondments remuneration for Irish resident and non-resident individuals**

#### **Secondments and foreign employments**

- Describe what constitutes a foreign employment and how it is charged to tax in Ireland
- Describe how the PAYE system can operate in relation to mobile workers and employments not wholly exercised within the State
- Compare the different reliefs available in relation to employees of non-resident employers, calculate any relief due, outline its interaction with Double Tax Agreements (“DTAs”), and outline how the relief is claimed
- Describe the tax issues that may apply to outbound and inbound secondments
- Describe how the PAYE system can operate in relation to outbound secondees
- Advise on the Irish tax implications for non-residents posted abroad on their Irish non-employment sources of income and gains and Irish resident secondees on foreign sources of income and gains, focusing on the remittance basis of taxation
- Summarise how changes in residency of a taxpayer affect their taxation in relation to share/share option schemes
- Outline the taxation treatment of disposals by temporary non-residents
- Modify a secondment proposal so as to avail of all tax reliefs available
- Devise an alternative plan for a foreign employee, or a returning expatriate, so as to avail of all tax reliefs available (including relief from double taxation)

## **Individuals and businesses operating internationally**

### **4. Analyse and advise on the taxation and legal issues of businesses and individuals operating internationally.**

#### **Taxation issues for inbound investment into Ireland**

- Advise on the threshold of taxation in Ireland for income and chargeable gains, and the impact of the tax treaties
- Advise on the tax consequences of repatriation of profits from Ireland as interest, royalties, dividends and capital distributions (including liquidation)
- Advise on the tax consequences of exiting Ireland
- Outline some of the key stamp duty provisions that are relevant in an international tax context

### **Taxation issues for outbound investment from Ireland**

- Outline the key principles for the taxation of foreign income and capital gains
- Apply the Irish corporation tax system to the taxation of foreign income to prepare tax computations for interest and royalties that have been taxed at source
- Apply the Irish corporation tax system to the taxation of foreign income to prepare tax computations for branch profits
- Apply the Irish corporation tax system to the taxation of foreign income to prepare tax computations for foreign dividends
- Apply the Irish corporation tax system on the taxation of capital gains attributable to share and related financial assets
- Identify and apply anti-avoidance provisions applicable to overseas investment by an Irish business

### **International Investments and disposals of investments**

#### **5. Investing and disposal of overseas investments - Advise on the rules regarding offshore investments by individuals**

##### **Property**

- Describe the Irish income tax and CGT treatment for individuals with foreign property in locations with which Ireland does not have a DTA
- Calculate any relief available against any resultant Irish tax liability
- Compare the taxation of foreign property transactions (rental, trading or capital) to those involving Irish property
- Awareness of the taxation method for fund structures holding Irish property

##### **Anti-avoidance rules on transfer of assets abroad**

- Apply the anti-avoidance rules dealing with the transfer of assets abroad by individuals resident or ordinarily resident in Ireland including:
  - The attribution of income
  - The attribution of capital gains of non-resident trusts
- Evaluate a set of circumstances to determine whether the rules apply, and if they do, to what extent, calculate any tax due

##### **Wealth planning: tax related issues including anti-avoidance rules**

- Summarise other CGT anti-avoidance provisions
- Evaluate a scenario to determine whether Ireland's anti-avoidance provisions could be applied

##### **Offshore Funds**

- Compare the taxation treatment of regulated and unregulated offshore funds
- Distinguish between a passive fund and a PPIU
- Explain the Irish taxation of a PPIU
- Outline any administrative requirements relating to these investment structures and the penalties associated with non-compliance
- Explain the Irish taxation of other investment structures commonly used to invest in foreign property
- Modify a proposed investment plan so as to avail of all tax reliefs available



# Advanced Indirect Taxes

This module draws on knowledge from Part 2 on indirect taxes. It covers how indirect taxes apply in the context of VAT groups, VAT on property as well as the more complex aspects of VAT. It involves applying legislation, commentaries, statements of practice and / or case law to practical case studies.

## Learning objectives

Upon completion of this module, students will be able to:

1. Explain how individual Member States apply VAT law and the options open to the EU where there is disagreement over this application
2. Apply the general rules relating to the charge to VAT to scenarios including groups and foreign entities
3. Explain the difference between goods and services and outline how VAT applies to both domestic and cross border supplies
4. Interpret case law surrounding the general rules on the rates of VAT and administration arising from cross-border supplies
5. Apply the general rules regarding the deduction available for VAT incurred or paid to more complex scenarios including qualifying activities and case law
6. Apply the general rules regarding the administration of the VAT system to more complex scenarios including special schemes
7. Explain how VAT applies to property transactions and calculate the VAT due
8. Explain the detailed rules in relation to overpaid VAT, the Appeals Procedure and Revenue Powers
9. Describe the application of customs duty

## Assessment

End of course exam	100%
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## **1. Explain how individual Member States apply VAT law and the options open to the EU where there is disagreement over this application**

### **Irish VAT in the EU context**

- Describe how a change in VAT rates takes effect
- Describe the role of the Recast Directive in determining the VAT rates applicable in Ireland
- Describe the role of each of the various institutions of the European Union which affect VAT legislation
- Understand EU Directives and EU Regulations
- Explain the interaction between the Recast Directive and the national VAT legislation
- Explain how the Recast Directive can be amended
- Explain the impact of a “derogations” in respect of VAT
- Explain the concept of “mutual assistance” and describe how it operates

## **2. Apply the general rules relating to the charge to VAT to scenarios including groups and foreign entities**

### **Foreign traders**

- Outline when a “Foreign Trader” may become an accountable person and the related obligations

### **VAT groups**

- Describe what is meant by group VAT registration and the relevant criteria
- Outline the advantages and disadvantages of group VAT registration
- Set out any exceptions to the normal group VAT registration rules

## **3. Explain the difference between goods and services and outline how VAT applies to both domestic and cross border supplies (excluding electronic services)**

### **Cross Border Supplies – Services**

- Outline the VAT treatment of B2C supplies of telecommunications, radio and television broadcasting and electronic services
- 1 July 2021 e-commerce changes

### **VAT arising on hire purchase agreements**

- Outline how the different elements of a hire purchase/credit transaction are charged to VAT
- Compare the treatment when the hire purchase involves a finance company to when finance is supplied by the supplier of goods
- Explain the amount chargeable to VAT under a hire purchase agreement

### **VAT arising on the transfer of a business**

- Compare the VAT treatment of buying a business or buying shares in a company
- Outline the VAT relief that arises to the transfer of a business

- Compare the VAT treatment of sales related costs (professional fees) on the buying of a business and the buying of a company

#### **4. Interpret case law surrounding the general rules on the rates of VAT and administration arising from cross-border supplies**

##### **Consideration**

- Explain how vouchers, telephone cards, tokens and stamps are generally treated for VAT purposes

#### **5. Apply the general rules regarding the deduction available for VAT incurred or paid to more complex scenarios including qualifying activities and case law**

**Deductible and non-deductible VAT [Element of Part 3 material in chapter in relation to transfer of a business]**

#### **6. Apply the general rules regarding the administration of the VAT system to more complex scenarios including margin and special schemes**

##### **Schemes for accounting for VAT**

- Explain why special schemes exist and why they are provided for under EU legislation.
- Describe the optional scheme for second-hand goods, works of art, collectors' items and antiques
- Describe the mandatory scheme for auctioneers
- Describe the optional scheme for means of transport and agricultural machinery
- Describe the mandatory margin scheme for travel agents

#### **7. Apply the general rules surrounding VAT on property transactions to more complex scenarios**

##### **Property transactions pre – 1 July 2008**

- Define “a supply of immovable goods” for pre-1 July 2008 VAT purposes
- Define an “interest” in immovable goods for pre-1 July 2008 VAT purposes
- State the rate of VAT which applies to certain property related transactions prior to 1 July 2008
- Explain why the pre-1 July 2008 rules are still relevant
- List the requirements for VAT to arise on the supply of a property (pre 1 July 2008)
- Define “development” for VAT purposes
- Describe the Economic Value Test (EVT)
- Describe the VAT treatment of the sale of a freehold interest (Pre 1 July 2008)
- Describe the VAT treatment of long leases (created pre 1 July 2008)
- Describe the VAT treatment of transactions taking place after a surrender (but taking place pre 1 July 2008)
- Describe the VAT treatment of short leases (created pre 1 July 2008)
- Explain the “No Second Supply” rule and describe any cases where this rule does not apply

### Transitional properties

- Explain why the new VAT on property system needed to incorporate some transitional rules
- Outline the key issues that apply to “transitional” or “legacy” properties which fall to be taxed under the new system

### The Capital Goods Scheme

- Define a “capital good” in the context of VAT on property
- Describe the Capital Goods Scheme and how it operates
- Explain what is meant by a “Capital Good Record”
- Outline the Capital Good Scheme VAT treatment of the sale of a capital good
- Describe how the Capital Goods Scheme applies to properties bought or built under the old VAT on property regime
- Describe the consequences for a landlord of exercising or terminating the option to tax a letting
- Calculate the VAT adjustment arising on the sale of property under the Capital Goods Scheme
- Explain the Capital Good Scheme VAT treatment where a property developer leases a residential property prior to its supply

### Other VAT on Property issues

- Explain the “two thirds rule” in relation to property
- Outline when the transfer of ownership of immovable goods is deemed not to be a supply of goods
- Outline the VAT treatment of certain sub-contractors services and certain other land related services
- Describe how property transactions between VAT group members are treated
- Outline the VAT treatment of property transactions when a liquidator/receiver is appointed

## 8. Explain the detailed rules in relation to overpaid VAT, the appeals procedure and Revenue powers

### Overpaid VAT

- Explain the concept of “unjust enrichment” in respect of VAT reclaims

### Appeal procedure

- Outline the appeals process in respect of VAT
- Describe the role of the Court of Justice of the European Union (CJEU) in the VAT appeals process
- Outline when costs of appeal may be awarded to the taxpayer

### Revenue powers

- Cite the statutory penalties that may be sought by Revenue in relation to VAT and state the time limits relating to these
- Outline the circumstances in which Revenue may forfeit and seize goods
- Give an example of circumstances where Revenue can impose joint and several liability (on non-VAT group members)
- Outline how the findings in the *Halifax* case apply to Irish indirect taxes
- Outline how Section 811 TCA 1997 applies to indirect taxes

## 9. Describe the application of some additional aspects of Irish customs duty

### Customs duty

- Outline the concept of customs duty and when it arises
- Be aware of the EU Customs territory
- Be aware of the EU Customs territory
- Outline some key pillars of Customs duty rules (classification, origin, valuation)
- Outline some features of Customs duty formalities
- Outline certain Incoterms
- Outline some principal reliefs from Customs duty
- Compute Irish Customs duty arising on an import based on information provided to you

# Professional Advice

This is the capstone module of the Chartered Tax Adviser (CTA) programme. The objective of this module is to bring aspects of capital taxes, personal taxes, business taxes and indirect taxes together in detailed case studies. This module examines all tax heads covered on the CTA programme in an integrated manner. Less detailed answers are required in the exam questions as the questions do not require students to do detailed calculations, students will need to summarise the tax issues. This module also covers anti-avoidance legislation, appeal procedures as well as giving consideration to the ethical issues that qualified CTA may face when giving tax advice. This module also builds on the critical skills of research and written communication which were initially covered at Part 2 in the Professional Skills module.

## Learning objectives

Upon completion of this module, students will be able to:

1. Analyse a case study and interpret the information provided
2. Identify the taxation issues
3. Deal with specific technical issues arising
4. Address all relevant taxes in their answers, as well as applying knowledge of non-taxation subjects, namely law and accountancy
5. Suggest a possible course or alternative courses of action that address the taxation issues in a commercially sound manner
6. Bearing in mind the reader of the advice, write clear and unambiguous advice which displays an appreciation of the personal, business or commercial issues involved
7. Identify areas where advice is required from other advisers, and their role in the provision and implementation of the advice
8. Identify what reliefs are available under each taxhead and the procedures and timing involved in claiming these reliefs. Emphasis will be placed on the knowledge of tax reliefs, the ability to apply such reliefs and familiarity with the processes involved in claiming them
9. Identify potential conflicts between taxing provisions and reliefs relevant to different taxes
10. Present a reasoned argument of the strengths and weaknesses of the technical positions taken on the various tax issues
11. Research from various sources (including legislation, case law and Revenue practice) and across various taxheads and apply the research to multi-discipline case studies
12. Explain and apply Ireland's general anti-avoidance rules & anti-avoidance rules involving shares
13. Advise on the appeal provisions that apply in respect of Income Tax & Corporation Tax.

## Assessment

End of course exam	85%
Professional Skills Assignment	15%

There is no formal syllabus for the majority of this module it covers the learning outcomes from the other eleven modules of the Chartered Tax Adviser (CTA) programme. However, there are learning outcomes for the aspects relating to learning objectives 13 & 14, as follows:

## 12. Explain and apply Ireland's general anti-avoidance rules & anti-avoidance rules involving shares

### General anti-avoidance

- Explain what is meant by tax avoidance
- Summarise the approach to date of the courts in Ireland and the UK towards tax avoidance
- Explain the Irish legislative response to decisions of the Irish courts in relation to tax avoidance
- Explain and apply the mandatory reporting obligations that arise in relation to tax planning, outline the penalties and identify transactions which give rise to mandatory reporting obligations

### Anti-avoidance involving shares

- Summarise and advise on the legislation brought in to counter schemes to avoid a liability to tax under Schedule F
- Summarise and advise on the legislation introduced to prevent asset and dividend stripping schemes
- Summarise and advise on legislation used to recover tax (CGT) from shareholders in certain circumstances.

## 13. Advise on the appeal provisions that apply in respect of Income Tax & Corporation Tax.

### Appeal Procedure

- Describe the principal appeal provisions that apply in respect of income tax and corporation tax as set out in the Tax and Duty Appeal Manual which applies in relation to appeals made on or after 21 March 2016
- Describe the other appeal provisions set of in legislation
- Describe the appeal provisions for taxes (excluding VAT) and duties that are not included in TCA 1997 or the Tax and Duty Appeal Manual
- Outline Revenue's Internal Review Procedures
- Evaluate various Revenue Audit scenarios

While the other modules focus on depth of knowledge, this module focuses on the breadth of knowledge and skills and the ability to take what students have covered elsewhere and apply it to a real-life case-study.

### End of Course Exam Structure

All questions on the Professional Advice paper are compulsory. **There will be a Revenue Audit question on the paper.** The Revenue Audit question and the other questions **may contain a few areas.** As there may be many areas in one question and students will be required to cover all tax heads. Together with the learning objectives & outcomes above the following areas may also be included in the exam, this list is not exhaustive.

#### 1. Inward Investment / outward

- Carry out focused research across Irish and to a limited extent international tax law leading to technically sound conclusions.
- Evaluate alternative potential solutions to setting up operations and identify the optimal outcome.

## **2. Business Failure / Liquidation / winding up of a company /downsize**

- Provide clear and unambiguous taxation advice on the decision to cease trading or liquidating all or part of a business.
- Identify the legal\* and financial consequences of this action, to ensure that advice is both technically sound and commercially appropriate.
- Identify the accounting consequences of any decision made.

## **3. Selling business/ passing on business during in life / on death / retirement / family dispute**

- Provide clear and unambiguous taxation advice on the decision to sell, transfer or reorganise a business.
- Provide clear advice on any relief which may apply including advice on the tax implications if alternative decisions were made.
- Identify the legal and financial consequences of this action, to ensure that advice is both technically sound and commercially appropriate.

## **4. Passing on wealth to the next generation / later generations /planning for retirement**

- Provide clear and unambiguous taxation advice on the decision to pass on wealth.
- Provide clear advice on any relief which may apply including advice on the tax implications if alternative decisions were made.
- Identify the legal and financial consequences of this action, to ensure that advice is both technically sound and commercially appropriate.

## **5. Start up business**

- Provide clear and unambiguous taxation advice on the decision to commence a business including what form the business will take.
- Identify the issues with holding the business assets personally or in a company.
- Evaluate alternative potential solutions and identify the optional outcomes for your client.
- Identify the legal and financial consequences of this action, to ensure that advice is both technically sound and commercially appropriate.

## **6. Expansion**

- Provide clear and unambiguous taxation advice on the decision to expand.
- Provide advice on whether to acquire the assets of a business or the shares of the company if expanding by acquisition. Identify the legal and financial consequences of this action, to ensure that advice is both technically sound and commercially appropriate.
- Provide advice on the relocation of staff to Ireland and from Ireland and advice on the tax implications for these individuals including any reliefs available.
- Identify the accounting consequences of any decision made.

## **7. Marriage breakdown**

- Provide clear and unambiguous taxation advice on this life event.
- Evaluate alternative potential solutions and identify the optional outcomes for your client.

## **8. Other life events**

- Emigration
- Redundancy



- Retirement
  - Provide clear and unambiguous taxation advice in relation to the life events.
  - Provide advice on the tax implication of decisions made when dealing / planning for the life event and provide alternatives.
  - Provide advice on the tax implication of a change in residence, ordinary residence and domicile on the decision to emigrate.

\* The legal consequences outlined within this guidance will only be examined to the extent they are covered in the Chartered Tax Adviser (CTA) manuals.

## Professional Skills Assignment

The professional skills assignment is an important component of the assessment of the Professional Advice capstone module. The purpose of the professional skills assignment is to ensure students obtain the key skills required to provide a high standard of tax advice which is expected from a CTA. The assignment is intended to develop the skills of research and written communication which are vital when working as a CTA. These skills are used daily when working as a CTA. The assignment involves providing detailed advice to clients, colleagues or other advisers. In order to provide this technically accurate advice students will be required to carry out detailed research evidencing knowledge of a wide range of tax issues and demonstrate the ability to give clear, concise and relevant written advice which is comprehensive, technically accurate and commercially sound. Written communication is a critical part of this assignment and students should always bear in mind who they are communicating with.

### 1. Carry out research and identify alternatives leading to technically sound conclusions

- Review the case study presented to identify the advice being sought
- Identify the potential tax issues under all tax heads from the case study
- Research independently across Irish and international law as applicable to the tax issues, using the legislation and Taxfind
- Prepare and evaluate evidence-based conclusions
- Identify any potential tax opportunities arising from the fact presented or alternatives to a transaction presented in the case study, if applicable, bearing in mind the clients ultimate objective and purpose for the transaction.
- Research the consequences of alternative potential transactions and ensure they result in the clients objective being met.
- Prepare a file note documenting the research undertaken which clearly identifies the facts, the tax issues arising therefrom and the tax implications for the parties to the transaction. The research should be written clearly and should reference the legislation and its application to the facts. The purpose of the file note is to document the research and outcome of that research. The file note should be comprehensive, and in that regard a colleague should be able to review the file note and equally advise the client based on the content therein.

### 2. Translate research (file note) into written tax advice

- Consider the end reader of the advice to determine the language to be used in the advice letter or email
- Prepare a letter or email providing the advice to your colleague, your client, or other professional adviser, letters and emails should be comprehensive and technically accurate and written in a concise manner bearing in mind the reader of the advice
- Prepare an executive summary to be included in the advice letter or email

