

# **ACCA**

# **Strategic Professional – Options**

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**Advanced Taxation  
(ATX-UK)  
(Finance Act 2023)**

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**EXAM KIT**

For June 2024 to March 2025 examination sittings

**KAPLAN**  
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***Acknowledgements***

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Versions of some questions in this Exam Kit may also be available on the ACCA Practice Platform on the ACCA website. They are a very useful reference, in particular to attempt using ACCA's exam software. However, you should be aware that ACCA will decide when those questions will be amended for syllabus changes or replaced, so they may differ slightly from the versions in this Exam Kit.

# INDEX TO QUESTIONS AND ANSWERS

## INTRODUCTION

The style of the ATX exam questions has changed over the years and significant changes have had to be made to questions in light of the legislative changes in recent Finance Acts.

Accordingly, many of the old ACCA questions within this kit have been adapted to reflect the new style of exam and the new rules. Therefore, some questions may not be worth 50 or 25 marks. If changed in any way from the original version, this is indicated in the end column of the index below with the mark (A).

Also included are the marking schemes for past ACCA real examination questions to assist you in understanding where marks are earned and the amount of time to spend on particular tasks. Note that if a question has been changed from the original version, it will have also been necessary to change the original ACCA marking scheme. Therefore, if a question is marked as adapted (A) you should assume that this also applies to the marking scheme.

Note that the majority of the questions within the kit are past ACCA exam questions, the more recent questions are labelled as such in the index.

## KEY TO THE INDEX

### ANSWER ENHANCEMENTS

We have added the following enhancements to the answers in this exam kit:



#### **Key answer tips**

All answers include key answer tips to help your understanding of each question.



#### **Tutorial note**

All answers include more tutorial notes to explain some of the technical points in more detail.



#### **Tutor's top tips**

For selected questions, we 'walk through the answer' giving guidance on how to approach the questions with helpful 'tips from a top tutor', together with technical tutor notes.

These answers are indicated with the 'footsteps' icon in the index.

## ONLINE ENHANCEMENTS



### *Answer debrief*

For selected questions, we recommend that they are to be completed in full exam conditions (i.e. properly timed in a closed book environment).

In addition to the examining team’s technical answer, enhanced with key answer tips and tutorial notes in this exam kit, online you can find an answer debrief by a top tutor that:

- works through the question in full
- explains key elements of the answer
- ensures that the easy marks are obtained as quickly as possible.

These questions are indicated with the ‘video’ icon in the index.










Answer debriefs will be available on MyKaplan at:

[www.mykaplan.co.uk](http://www.mykaplan.co.uk)

## SECTION A QUESTIONS

### TAXATION OF INDIVIDUALS

*Page number*

			<i>Question</i>	<i>Answer</i>	<i>Past exam (Adapted)</i>
1	Gail and Brad		1	165	<i>Jun 13 and Mar/Jun 16 (A)</i>
2	Ziti		6	177	<i>Jun 14 (A)</i>
3	Jonny		9	193	<i>Sept/Dec 15 (A)</i>
4	Ray, Shanira and Kelly		12	202	<i>Mar/Jun 16 (A)</i>
5	Pippin		16	214	<i>Mar/Jun 17 (A)</i>
6	Maia		19	225	<i>Mar/Jun 19 (A)</i>
7	Joe and Fiona		23	234	<i>Mar/Jun 21 (A)</i>
8	Olma and Hogan		27	245	<i>Mar/Jun 22 (A)</i>
9	Hiroimi		30	256	<i>Mar/Jun 23 (A)</i>

## Section 1

# PRACTICE QUESTIONS – SECTION A

## TAXATION OF INDIVIDUALS

### 1 GAIL AND BRAD (ADAPTED) *Walk in the footsteps of a top tutor*

You should assume that today's date is 1 June 2024.

Your manager has had a meeting with Gail and her father Brad, both of whom are clients of your firm. Gail owns the whole of the ordinary share capital of Aero Ltd.

Advice is required in respect of:

- the corporation tax issues in relation to disposals of a building and some shares,
- the extraction of funds from a company as either a bonus or a dividend,
- the consequences of non-disclosure of income, and
- the inheritance tax consequences of lifetime gifts.

The following **exhibits** provide information relevant to the question:

- 1 Gail – extract from a memorandum prepared by your manager
- 2 Schedule prepared by Mill, a junior member of your firm's tax department
- 3 Brad – extract from a memorandum prepared by your manager
- 4 Work to be carried out – email from your manager

This information should be used to answer the question **requirements**.

#### **Exhibit 1 – Gail**

##### **Extract from a memorandum prepared by your manager – dated 1 June 2024**

##### **Gail – background**

Gail was born in 1976 and is resident and domiciled in the UK. She owns the whole of the ordinary share capital of Aero Ltd (A Ltd) and works full-time as a director of the company. A Ltd owns the whole of the ordinary share capital of Zephyr Ltd (Z Ltd). A Ltd and Z Ltd are both UK resident trading companies. A Ltd and Z Ltd both pay corporation tax at the main rate.