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Academy of Professional Accounting (APA)

ACCA F6 习题详解

Taxation(TX-UK)

税务 第一讲

ACCA Lecturer: Sarah





Format of the Exam

1

Objective test(OT)

$15 * 2' = 30$ marks

2

OT case

$3Q * 5 * 2' = 30$ marks

3

Constructed response

$1 * 10' + 2 * 15' = 40$ marks

15'-----income tax, corporation tax



MCQ bank – The UK tax system and its administration

36 mins

1.1 Which **two** of the following statements are true about inheritance tax? it is a (an):

- 1) indirect tax.
- 2) progressive tax.
- 3) environmental tax.
- 4) redistributive tax

A. 1 and 3

B. 1 and 4

C. 2 and 3

D. 2 and 4

(2 marks)



1.1 Answer D

Inheritance tax is a progressive tax as the proportion of the wealth that is taxable increases as wealth increases

(the amount covered by the nil rate band is charged at 0% and the remainder at 20% or 40%). It is also a redistributive tax as it redistributes wealth.

Inheritance tax is a direct tax and it is not an environmental tax.



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1.2 Which **two** of the following have legal force?

- 1) Revenue and Customs Brief
- 2) A Statutory Instrument
- 3) An Act of Parliament
- 4) An Extra Statutory Concession

- A. 1 and 2
- B. 2 and 3
- C. 1 and 3
- D. 2 and 4

(2 marks)



1.2 Answer B

Statutes (Acts of Parliament) and Statutory Instruments have legal force.

HMRC publications such as Revenue and Customs Briefs and Extra Statutory Concessions do not have legal force.



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1.3 Fare plc wishes to appeal against the assessment of £10,000,000 of corporation tax by HM Revenue & Customs (HMRC).

By whom is Fare plc's appeal most likely to be heard?

A. By the First Tier Tribunal

B. By the Upper Tribunal

C. By the Supreme Court

D. By the Court of Appeal

(2 marks)



1.3 Answer B

By the Upper Tribunal.

The Upper Tribunal deals with complex cases which either involve an important issue of tax law or a large financial sum



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1.4 Daren made a chargeable gain of £50,000 on 30 June 2017.

This was Daren's only disposal in the tax year 2017/18. He had previously paid his income tax through deduction at source so has not had to submit self-assessment tax return.

By what date must Daren notify HM Revenue & Customs (HMRC) of his chargeability to capital gains tax in relation to the gain made on 30 June 2017 and by what date must he pay the capital gain tax liability?

A. 31 January 2019 and 31 January 2019 respectively.

B. 5 October 2018 and 31 January 2019 respectively.

C. 5 October 2018 and 31 July 2019 respectively.

D. 31 January 2019 and 31 July 2019 respectively. (2 marks)



1.4 Answer B

The chargeable gain arises in the tax year 2017/18 and so Daren must notify HMRC of his chargeability within six months from the end of the tax year. The tax liability must be paid by 31 January following the end of the tax year. There are no payments on account for capital gains tax.



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1.5 Sarah received NS&I investment account interest of £ 5,300 in the tax year 2017/18 which she deliberately omitted from her self-assessment tax return for that tax year. She did not attempt to conceal the omission. HM Revenue & Customs (HMRC) discovered the error from records collected from NS&I and Sarah then made a prompted disclosure of the error. Sarah is a higher rate taxpayer and she had already used her savings income nil rate band on other income.

What is the minimum penalty that HMRC may impose on Sarah in respect of this error?

A. £742 B. £1,484 C. £ 424 D. £1,855 (2 marks)



1.5 Answer A.

Potential Lost Revenue is the tax payable of £2,120
(40% * £5,300).

The minimum penalty for a prompted, deliberate, but not
concealed error is 35% * PLR which is £742.



1.6 For the year ended 30 June 2017, Forgetful Ltd had a corporation tax liability of £166,250, which it did not pay until 31 July 2018. Forgetful Ltd is not a large company.

How much interest will Forgetful Ltd be charged by HM Revenue & Customs (HMRC) in respect of the late payment of its corporation tax liability for year ended 30 June 2017?

A. £ 381

B. £ 2286

C. £ 4953

D. £ 1524

(2 marks)



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1.6 Answer D.

Due date 1 April 2018, paid 31 July 2018 so four months late. Interest is:

$$4/12 * 2.75\% * \text{£}166,250 = \text{£}1542$$



1.7 Answer C.

The profit threshold for being a large company is $\text{£}1,500,000/2 = \text{£}750,000$ since there is one related 51% group company. This threshold is first exceeded in the year ended 31 December 2019 but company is not required to pay its corporation tax by instalments in the first year that it is large unless its profits exceed $\text{£}10,000,000$ as reduced by related 51% group companies. Mammoth Ltd is also a large company in the year ended 31 December 2020 and so must pay its corporation tax liability by quarterly instalments for that year



1.8 Taxes can be either capital taxes or revenue taxes,
although some taxes are neither type of tax.

Which is the correct classification for the following three
taxes?

	<i>Value added tax</i>	<i>Inheritance tax</i>	<i>National insurance contributions</i>
A. Neither type	Revenue tax	Capital tax	Capital tax
B. Revenue tax	Capital tax	Neither type	Neither type
C. Capital tax	Neither type	Revenue tax	Revenue tax
D. Neither type	Capital tax	Revenue tax	Revenue tax

(2 marks)



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1.8 Answer D.

Value added tax neither type, Inheritance tax capital tax,
National insurance contributions revenue tax



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1.9 In the year ended 31 March 2018, Luck Ltd had taxable total profits of £400,000 and received the following dividends

	£
From unconnected companies	5,200
From a company in which it has an 80% shareholding	4300
From a company in which it has a 45% shareholding	1400

What is the value of Luck Ltd's profits for the year ended 31 March 2018 for the purposes of determining whether it should pay corporation tax in instalments.

- A. £406,600 B. £ 410,900
- C. £405,700 D. £ 405,200 (2 marks)



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1.9 Answer A.

	£
Unconnected company	5,200
Group dividend	0
Non-51% group dividend	1,400
Taxable total profits	<u>400,000</u>
Profits	406,600



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1.10 For the tax year 2017/18, **what** are the latest dates by which a tax payer, who is an individual and who does not wish to incur a penalty, should file a self-assessment tax return on paper or online?

Paper tax return

- A. 31 October 2018
- B. 31 October 2018
- C. 31 October 2019
- D. 31 October 2019

Online tax return

- 31 January 2020
- 31 January 2019
- 31 January 2019
- 31 January 2020

(2 marks)

(Total 20 marks)



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1.10 Answer B.

Paper return 31 October 2018, Online tax return 31 January 2019.

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Thank You!

