

If you know little about tax, or if you have not used TaxCalc before, we suggest you review the topics below. You may find the check list particularly helpful as this will act as a prompt to establish what information you will need before you start to fill out your tax details.

Remember when you come to actually filling in your details, context-sensitive Help can be accessed by clicking the **right-hand mouse button** or pressing F1.

Introduction

- An overview of TaxCalc

Using TaxCalc

- How to use TaxCalc
- Where to find Help in TaxCalc

Check list

- A list of all the documentation you will need before you start to use TaxCalc.

Tax basics

- Who pays UK tax?
- The tax year
- Tax law and tax changes
- The Inland Revenue
- Tax schedules
- Capital gains tax
- Income tax

Dealing with the Inland Revenue

- Taxpayer's Charter
- Finding your tax office
- Telling the Revenue about your income & gains
- PAYE system
- Paying your tax
- Tax calendar
- If you've paid too much tax
- Revenue mistakes
- How to sort out problems
- Where to go for tax advice

Tax changes and trends

- Summary of November 1996 budget changes

Tax tips

- Over 40 ways to save tax

Self assessment

- An overview of the new rules

Leaflets

- A list of Inland Revenue leaflets with the full text of nine of those most commonly used.

Help Sheets

- A list of Inland Revenue Help Sheets, eleven with full text

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Foreign income

TaxCalc is currently unable to complete the foreign income pages, neither can it take foreign income into account when calculating your overall tax liability.

Income from share options

If you are a member of a share scheme, Taxcalc will include the information in your tax calculation but you will have to complete the form by hand.

How can TaxCalc help?

What does Taxcalc contain?

Every year millions of taxpayers pay too much tax. For example, there are currently approximately six million taxpayers alone who pay tax on their bank and building society investments when they should not. Some get refunds, many do not.

There are many reasons for this. The tax collection system, although radically restructured recently, is cumbersome, confusing and error prone. Incorrect tax codes, allocated at the start of the fiscal year, can result in over-collection of tax by PAYE. Ignorance of the tax rules relating to allowances and expenses can result in more tax being paid on business profits than is necessary. Much can be put down to poor tax planning and a simple lack of knowledge about how to check and query a tax position. This is where TaxCalc can help.

This year, more than ever before, the Inland Revenue are putting the responsibility for your tax position squarely with you, the taxpayer. It is now up to you to assess your own tax position and tell the Revenue what that position is. They will check the arithmetic (or do it for you if you wish), and they may ask to see your records - but essentially, if the Return you file is full and complete, with no anomalies or gaps, they will generally accept the tax position you put forward as the correct one. This puts you much more in control.

How can TaxCalc help?

TaxCalc for Windows enables you to complete and print out your tax return. You can choose to follow an Interview procedure which leads you through the various sections of the form. Or you can move to each relevant section independently, using the on-screen controls, and fill in your own personal details for income, outgoings, allowances and capital gains tax. Help and advice are available from TaxCalc to explain each subject and how it relates to your individual situation.

TaxCalc then reviews the complete return and highlights areas which should be investigated for possible tax savings. It allows you to try various different allocations of income, allowances etc, and will recalculate the tax due in different scenarios.

Whether you pay tax each month under PAYE or direct to the Revenue, TaxCalc can work out how much tax should have been paid and compare it with the actual amount paid - often this can highlight that a tax rebate is due and provide the basis for a rebate. It also ensures that an accurate statement is submitted to the Inland Revenue. This is important as it is the basis for PAYE codes used to deduct tax in the coming year, or payments on account - the new term for interim payments of tax made by the self-employed and some others.

What does TaxCalc contain?

An opening section designed for taxpayers who know little about taxation. '**You & the Inland Revenue**' is an introduction to the UK tax system, specially written for TaxCalc, which covers your rights as a taxpayer and the Taxpayer's Charter, along with how to negotiate and correspond with the Inland Revenue if you feel you've paid too much tax,

and much more.

Over **40 tax saving tips** - which highlight ways in which taxpayers can ensure they are organising their tax affairs as efficiently as possible and use TaxCalc to incorporate them where appropriate.

The full text of twelve of the most useful **Inland Revenue leaflets**, including SA/BK1 Self Assessment, a general guide.

The full text of eleven of the **Inland Revenue's Help Sheets**, plus a comprehensive list of other Help Sheets available and where to order them.

A specially written **glossary** that defines many of the legal or technical definitions used on the tax form itself or in the program.

Comprehensive **context-sensitive Help** which is available simply by clicking the right-hand mouse button or pressing F1. All the Help files can be printed out and represent, in total, a complete book on tax.

All the necessary **calculations** to compute, quickly and accurately, your tax liability in different situations.

The new eight page Tax Return (which everyone due to complete a Tax Return will get). This covers:

- income from savings and UK investments
- income from pensions and social security benefits
- reliefs against income
- allowances
- a section enabling you to apply for a tax refund if applicable
- miscellaneous information required by the Revenue.

Supplementary pages covering:

- income from employment
- income from self-employment
- income from land and property
- income from trusts and estates
- income from capital gains

All of which can be viewed and printed out with your details in place.

Supplementary pages covering:

- income from share options
- foreign income
- non-residency

All of which can be printed out so that you can complete these pages manually if they apply to you.

An explanation of what self assessment means to you and a timetable of crucial dates and deadlines to help you keep track.

Non-residency

TaxCalc is currently unable to complete the non-residency pages, neither can it take foreign income into account when calculating your overall tax liability.

