



Alphalife Release Notes Spring 2010

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Introduction

Welcome to the Alphalife Spring 2010 edition. The key feature of this release is the implementation of iXBRL e-filing:

Note. For details on installation and other changes to the base Alphatax product, refer to the Alphatax UK Spring 2010 Release Notes.

iXBRL E-Filing

This edition is fully enabled for iXBRL E-Filing which is set to become a mandatory requirement for all companies for corporation tax returns filed after 31 March 2011 in respect of accounting periods ending after 31 March 2010.

iXBRL is a language that allows data included in a tax computation to be extracted by computer systems for analysis. Data items in the tax computation must be identified with XBRL 'tag' names provided from a list known as a 'taxonomy' which is defined by HMRC. The taxonomy is common to all company types, including life companies. The 'i' in iXBRL indicates that the XBRL tags must be embedded in an xhtml document, which can be viewed by a web browser.

Alphalife has been designed to automatically identify and tag every relevant item that appears in the tax computation and to produce all reports in the required xhtml format. Almost all of the changes required to enable iXBRL e-filing occur behind the scenes so there is no reason for users to know anything about the complex syntax making up the iXBRL specification including details of the taxonomy, schema or associated metadata.

Due to the specialised nature of life tax computations only a small proportion of tags from the full taxonomy will be relevant and these are displayed in the CT600 return values Report statement shown below.

	CT600 box	Non-life business	Life business	Total
		£	£	£
Income				
Bank, building society or other interest, and profits and gains from non-trading loan relationships	6		660,504,498	660,504,498
Annuities, annual payments and discounts not arising from loan relationships and from which income tax has not been deducted	8	-	145,000	145,000
Overseas income	9	-	1,300,000	1,300,000
Income from UK land and buildings	11	-	87,000	87,000
Chargeable gains				
Gross chargeable gains	16	-	29,943,470	29,943,470
Allowable losses including losses brought forward	17	-	54,000	54,000
Net chargeable gains	18	-	29,889,470	29,889,470
Profits before other deductions and reliefs	21	-	691,925,968	691,925,968
Deductions and reliefs				
Management expenses under s1219 CTA 2009	24	-	46,184,357	46,184,357
Total of deductions and reliefs	33	-	46,184,357	46,184,357
Profits before charges & group relief	34	-	645,741,611	645,741,611
Profits chargeable to corporation tax	37	-	645,741,611	645,741,611

UK Life Company Limited : CT600 return values AUTO CAPS NUM

Miscellaneous enhancements and fixes

- The relevant profits calculation has been enhanced to allow for an alternative allocation of Form 40 investment income to life assurance for the purpose of calculating the shareholders' share of non-taxable distributions received (s89 FA 1989). The default position continues to be based on the s432B allocation, as summarised on the Summary analysed Form 40. An alternative life assurance amount can be specified using the new input in the Claims statement **Override life assurance investment income in calculation of "B" for policy holders' share of profits (s89 FA 1989)**.
- A problem in Report mode where unrealised gains were not being included in the PHI equity/property sub total in the Long-term insurance fund: reconciliation of gains statement has been corrected.
- Problems with the loss brought back inputs in the Section 212 TCGA Unit trust deemed gains statement incorrectly affecting figures carrying forward to subsequent periods have been corrected.
- The display of details for s434AZA TA 1988 on the Trade and miscellaneous losses statement has been corrected to only display for relevant periods (i.e. periods ending on or after 22 April 2009).
- The s76 BLAGAB allowable management expenses calculation has been amended to ensure that where the adjusted loss deduction at Step 5 is in excess of subtotal 1 it is restricted to prevent subtotal 2 from becoming negative. Similarly within the BLAGAB acquisition expenses statement, the calculation of the appropriate part of the adjusted loss deduction has been amended to ensure that the adjustment cannot exceed the unadjusted acquisition expenses for the year.
- An issue with the adjustment to fund brought forward in the Form 40 revenue account for GRB in non-profit funds has been resolved. The adjustment was effectively being double counted as it was included in both the s432C allocation and also included within a separate item in the Gross roll-up business computation. The s432C allocation has been amended to remove the adjustment.

