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Welcome

Sage Personal Tax will help you prepare the SA100 tax returns for individuals. Tax computations are managed by Personal Tax, making the process of completing the return much simpler.

You have everything you need to complete an SA100 or R40 tax return within Sage Personal Tax.

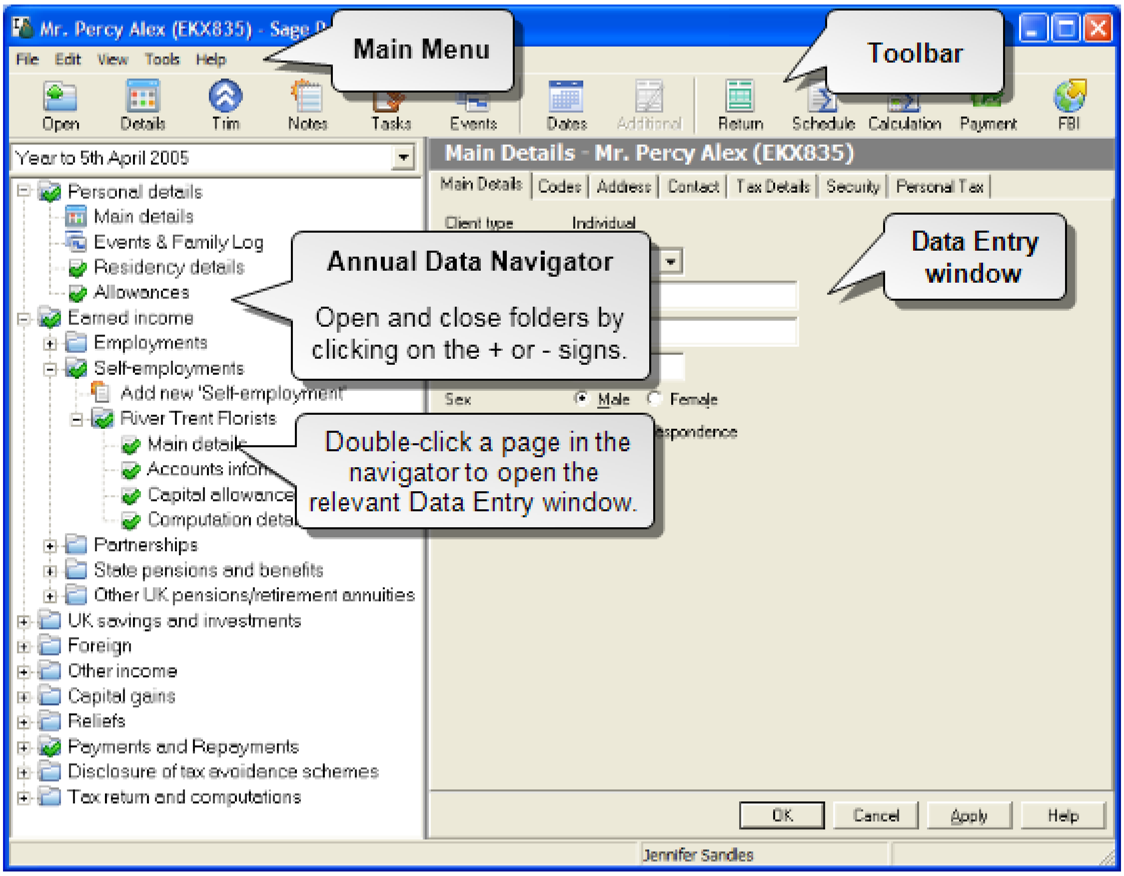
If a client owns a business or is a partner in a business, calculating their tax liability can be much simpler by using Business Tax and Partnership Tax. Both of these programs can calculate the client's taxable income and transfer it to Personal Tax.

The Getting Started Guide will take you through the following steps:

- An overview of Personal Tax: the windows you will see, and what they mean.
- Workflow: the workflow that you follow to produce a tax return.
- Pre-requisites: what you will need to do before you begin working on clients and their returns.
- Step by step: instructions to help you produce a simple return.
- Where to go next: Where to find information for more complicated work.

Finding your way around

The main Sage Personal Tax window is made up of the following areas:



- Main Menu and Toolbar: From here you can access all the functions in Personal Tax. For example, this is where you roll the client's data forward to a new tax year. All the functions can be found in the main menu, but some frequently used functions are also available on the toolbar for easy access.
- Annual Data Navigator: You may well be familiar with the 'tree' stricture of folders from other Windows programs. Each folder in the tree represents an area of tax. You will be using the Annual Data Navigator extensively to enter your client information.
- Data Entry window: This is where you view and enter your client information. This window displays the page you've selected from the navigator tree.

Annual Data Navigator

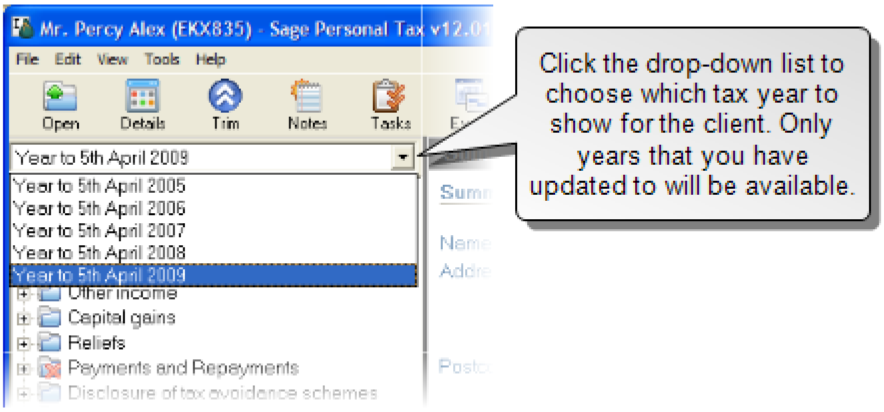
The Annual Data Navigator is a visual representation of the client's income, outgoings and allowances for the tax year in question.

- It shows at a glance what data has been entered and whether it is complete.
- It also helps you navigate through the different tax areas.

The navigator tree has a multi-level structure of folders that contain the data entry forms in which you enter tax information for the client.
The Annual Data Navigator offers two different views of your data: the default hierarchical view or tree view, and an .

Changing Tax Years

The navigator displays one tax year at a time for the selected client. The tax year currently selected is shown in the drop-down list at the top of the navigator.



The Personal Tax Workflow

This is a quick overview of the steps that you have to take in order to complete a tax return for one of your clients.

1. Create a Client

   If you are producing a tax return for a client for the first time, you will have to set the client up for Personal Tax. You only have to do this once; the client is then kept in Sage Taxation so you can continue to complete tax returns for them year on year.

2. Complete the Event Log

   Next you will have to complete the client's event log. This is where you record events in the client's life that Personal Tax would have to be aware of in order to accurately calculate their allowances (e.g. date of birth, marriage, registering as blind).

3. Collect your client's income data using the Annual Data Questionnaire

   To help you collect your client's income data, Personal Tax has the facility to produce income questionnaires that you can send to clients which when completed will provide you with all the income information you require to complete the client's tax return.

4. Enter the client's income details

   Once the client is set up you can start entering the details of the client's income on the forms in the Annual Data Navigator for this tax year (in addition to any data you transferred from other Sage Taxation applications). At any time during this process you can check how the SA100 tax return will look using the data you have entered so far and create ‘snapshot’ copies of these for future reference.

5. Validate the Return

   After you have entered all the data, you can use Personal Tax to validate the return before you print it. This will make a series of automated checks on the return to ensure that the data is valid and will not be rejected by the Revenue. If there are any problems, Personal Tax will list them for you.

6. Generate the Final Return

   Once you are satisfied that you have completed entering the data for the clients, you can then generate the final return for submission to the Inland Revenue. You can submit the return in two ways:

   By post: print a paper copy from Personal Tax;

   Via the Agent Filing by Internet service: select the FBI toolbar button in Control Centre.

Prerequisites

If this is the first time you have used Personal Tax, there are a few things you will need to make sure you have completed before you can begin preparing tax returns.

1. Create a dataset & Practice client in Control Centre.

   A dataset is a store for your client files. You can have more than one, but you won't be able to prepare reports or batch letters etc. across datasets. Personal Tax won't open until you have a dataset.

   You will also be prompted to create your 'Practice Client'. This is a client record that will hold the details of your practice.

   Open Control Centre and follow the wizard to create the dataset and Practice Client.
2. Create staff members/users.

   If you're using Sage Practice Solution, then you should create your staff members/users there. Otherwise create them in Control Centre.
3. Set your client limits.

   If you haven't already done so, set your client limits.
4. Create clients.

   Again, if you're using Sage Practice Solution, then you should always use it for adding, editing or deleting client details. If not, you can add clients either in Control Centre, or directly in Personal Tax.

What is the Annual Data Questionnaire?

The Annual Data Questionnaire (ADQ) is a way of gathering and/or confirming tax data for an individual. ADQs can be useful as a data confirmation exercise just before the new tax year, or could be used as an information-gathering device when new clients are created.

Any information that can be entered into Personal Tax for an individual can be included on an ADQ.

Annual Data Questionnaires can be produced within Personal Tax and Control Centre:

- Personal Tax will allow you to produce an ADQ for one client at a time. Select Annual Data Questionnaire from the Tools menu to set up the ADQ.
- Control Centre will allow you to produce ADQs for any number of clients at once by selecting from a range or filtering the client list. Select Annual Data Questionnaire (ADQ) from the Tools menu to see the options for configuring and creating ADQs.

The ADQ can also be created in any of the following three formats.

Standard (Comparative) format: This option will create the ADQ in a questionnaire format in the same kind of style as the report generator. This format will print the data existing in the system for the currently selected year and leave a blank space for the client or client's representative to complete any changes for the new tax year. Standard ADQs can be produced singly via Personal Tax or as a batch via Control Centre.

You can also create a cover letter to accompany the Standard ADQ. This can be configured within Control Centre and is produced via the Batch Production wizard in Control Centre.

Letter (Text Based) format: This option will create the ADQ as a letter within MS Word. You can use the template supplied with the software or create your own template for the letter and the text that will be included for each section of the letter. Letter templates are added, amended and deleted within Control Centre. Letters ADQs can be produced singly via Personal Tax or as a batch via Control Centre.

To prepare an ADQ

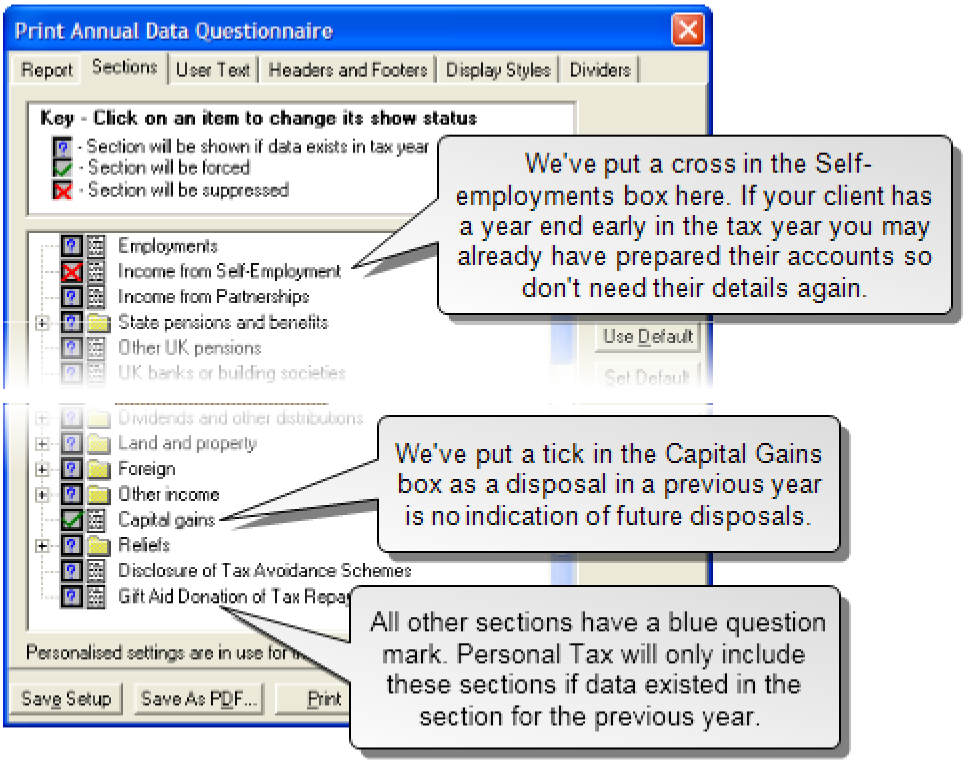
This procedure explains how to create an Annual Data Questionnaire for an individual client in Personal Tax

To prepare an ADQ:

1. Open the client in Personal Tax and select the tax year previous to the year you want to produce and ADQ for.

2. From the Tools menu, choose Annual Data Questionnaire. The Print Annual Data Questionnaire window appears.
3. Choose whether to produce a standard or Letter format.
   - A Standard ADQ displays last year's details in a report format with spaces alongside for this year's data.
   - The Letter ADQ uses Microsoft Word. You can change the content of the ADQ using Control Centre.
4. Click the Sections tab.

   ADQ sections can either be forced to appear, suppressed or appear when data exists for the last year. Use the lower pane to change which sections will be included. For a new client, you may want to include all sections in the questionnaire by clicking Include All.



5. When you've decided which sections to include, you may decide to save your preferences as your practice defaults. To do this click Set Default.
6. Once you make any deviation away from the default, the window indicates that Personalised settings are in use for this client.
7. Click Preview to see the report before you print it.
8. If you are happy with the report, you can choose to print it, or save as PDF. If you want to make changes to the report, close the ADQ preview, make your changes and click Preview again to see the result.

Letter (Text Based) Format

You can produce the ADQ as a letter using Microsoft Word.

Each section has a template of predefined text. If that section is included in the ADQ, then the text will be used.

When you choose Letter (Text Based) format on the Print Annual Data Questionnaire window, you will then be able to choose a template to use from a drop-down list. A Sage template is included for you to use, but you can amend this, or you can create your own templates. You should do this in Control Centre. See the ADQ Letter (Text Based) Template Configuration section of Control Centre Help for more information on templates.

Annual Data Questionnaire Viewer

Click Preview to view the client's Annual Data Questionnaire. The Viewer opens. It has the following features:

File menu

Printer Setup - Opens the standard Windows Print window, which allows you to select the printer that you want to use and what exactly you want to print.

Print - Prints one copy of the entire Annual Data Questionnaire.

Close - Close the Annual Data Questionnaire Viewer and return to the Print Annual Data Questionnaire window.

View menu

First page - Opens the first page of the ADQ. This is unavailable if you are already viewing page 1. Pressing Home will also take you to the first page.

Previous page - Opens the previous page of the ADQ. This is unavailable if you are already viewing page 1.

Next page - Opens the next page of the ADQ. This is unavailable if you are already viewing the last page.

Last page - Opens the last page of the ADQ. This is unavailable if you are already viewing the last page. Pressing Endwill also take you to the last page.

Zoom Report - offers the following options from a submenu:

- Increase (or Ctrl+I) - Zooms into the report, making text larger each time this option is selected.
- Decrease (or Ctrl+U) - Zooms out of the report, making text smaller each time this option is selected.
- Zoom to 100% - Increases the magnification of the current page to 100%.
- Page width - Increases the magnification of the current page so that the width of the page is displayed.
- Full page - Increases the magnification of the current page so that the entire page is displayed.

Buttons

Print - Prints one copy of the entire Annual Data Questionnaire.

First page - Opens the first page of the ADQ. This is unavailable if you are already viewing page 1. Pressing Home will also take you to the first page.

Previous page - Opens the previous page of the ADQ. This is unavailable if you are already viewing page 1.

Next page - Opens the next page of the ADQ. This is unavailable if you are already viewing the last page.

Last page - Opens the last page of the ADQ. This is unavailable if you are already viewing the last page. Pressing Endwill also take you to the last page.

Close - Close the Annual Data Questionnaire Viewer and return to the Print Annual Data Questionnaire window.

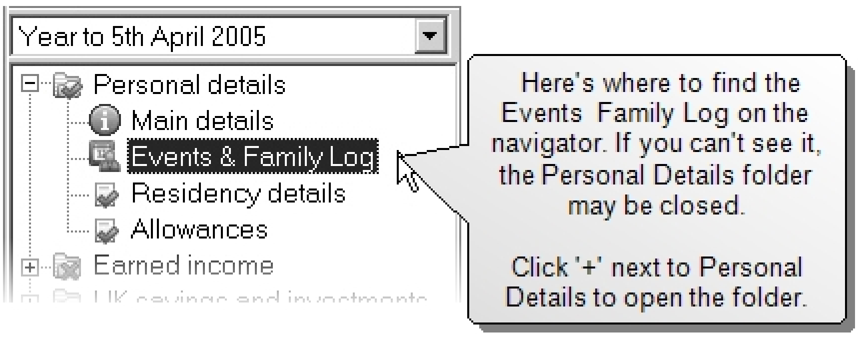
Events & Family Log

Use the Events & Family Log to manage the relationships and events that have occurred in the client's life which have important tax implications.

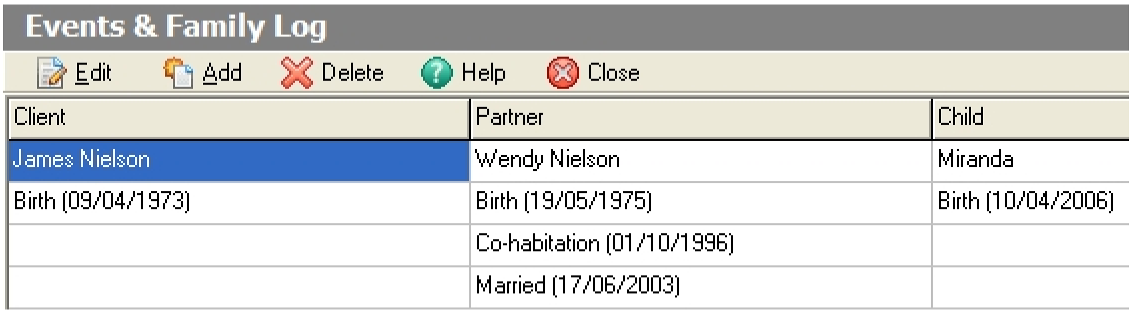
For example, if a client has been registered blind you should enter the date and local authority in the event log. Personal Tax will recognise that the client is eligible to claim blind person's allowance and will mark the allowance form as such.

You can open the Events & Family Log in the following ways:

- Select Personal Details > Events & Family Log in the navigator tree
- Click Events on the toolbar
- Choose Event Log from the Tools menu.
- From Control Centre.



If you have created any relationships within Sage Practice Solution such as marriages or children for this client, the details will come through to Personal Tax and will be available in the Events & Family Log.



The first column in the Events & Family Log window relates to the client (in this case, James Nielson). Any subsequent columns correspond to people related to the client, such as partners or children.

Each column has a number of rows:

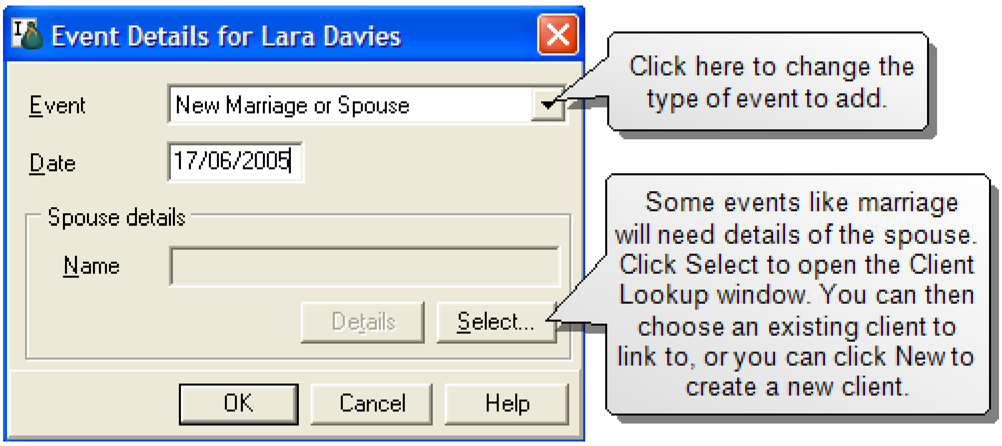
- The title row indicates the type of person in each column (for example, client, spouse or civil partner, or child).
- The second row shows the name of the person to whom the events in each column relate.
- Subsequent rows contain details of the events that have been entered for each person.

Add Event

Follow the instructions below to add an event for a client.

How to add an event:

1. Open the Events & Family Log.
2. Click Add on the toolbar. The Event Details window appears.



Note: The Details button becomes available when you have linked to another person. The Details button will open the Client Details for the linked client.

3. Use the Event drop-down list to choose the event to add, then fill in the details. Click OK to add the event.

As you’ve made a change to the Events & Family Log, when you close the form the following message appears:

Changes have been made in the Events & family Log which may affect the allowances this client can claim. Do you want to automatically update the allowances? Click ’No’ to manually change the allowances later.

This is because the Events & Family Log is closely linked to the Allowances in Personal Tax. Personal Tax automatically links events and allowances together, so that the details of events that you add or change in the Events & Family Log are automatically entered in the Allowances section.

Click Yes if you want Personal Tax to automatically work out the allowances or No to change the allowances details yourself.

Changing Existing Events

Once you've added events, you can change the event details by opening the Events & Family Log, selecting the item to change and clicking Edit. Events can be deleted by selecting the event and clicking Delete.

Remember that changes you make to event may adjust the allowances for the client.

Claim Allowances

Claim Allowances

Option	Description
Amount of personal allowance	This will show the default amount of personal allowance for the currently selected tax year. You can change this amount if you wish. If you do change it and you then want to return to the calculated amount, click Default to set the client's personal allowance at the appropriate level.
Claim age related allowance	Tick the box if the client was over 65 in the tax year, therefore qualifying for a higher personal allowance. The Age related allowance (if over 65) section on the Others page becomes available.
Claim Married Couple's Allowance (MCA)	Tick the box if the client is legally married or in a civil partnership and is claiming married couple's allowance and was born before 6/4/1935.
Transfer surplus allowance/use transferred allowances	Tick the box if: ■ the client wishes to transfer any unused married couple's allowance or blind person's allowance to their spouse or civil partner, or

Option	Description
	■ if the client's spouse or civil partner did not have enough income to use all of their MCA or blind person's allowance and they want the surplus to be transferred to them. The Transfer surplus allowances section of the Surplus page and the Additional Information page become available.
Claim blind person's allowance	Tick the box if the client is registered blind with a local authority and is claiming blind person's allowance. The Blind person's allowance section of the Others page becomes available.
Claim Children's Tax Credit (CTC)	Tick the box (which is only activated once a child's details have been entered via the Events & Family Log) if the client has a child that is under 16 at the beginning of the tax year. The CTC tab is then made available for tax years before 6 April 2003. See the CTC section of this Help for more information. **Note:** A client cannot claim both CTC and Married Couples Allowance.

Surplus

Transferring unused allowances

The client can transfer any unused married couple's or blind person's allowance if:

- they did not have enough income during the currently selected tax year to use up the allowance, **and**
- they lived with their spouse or civil partner for at least part of that year.

This relief can be claimed at any time up to the sixth anniversary of the end of the year of assessment.

The transfer of married couple's allowance takes priority over the transfer of blind person's allowance. A transfer of the latter allowance is only possible when the claimant's income is insufficient to use his personal allowance and his blind person's allowance.

Note: At present Personal Tax does not calculate the amount of married couple's or blind person's allowance available for transfer. You must enter this manually.

Using unused allowances

If the client's spouse or civil partner did not have enough income to use up either their married couple's or blind person's allowance, the surplus can be transferred to the client, which can be used to reduce the Income tax that they have to pay.

The client is not allowed by the system to transfer any surplus allowances at the same time as they are using a surplus allowance from their spouse or civil partner. You are warned about this when you attempt to close the Allowances page. You cannot close the page and save any changes until this situation they are no longer transferring and using surplus allowances at the same time.

Option	Description
Transfer any surplus MCA to spouse or civil partner	Tick the box if the client wants their spouse or civil partner to have any surplus married couple's allowance. This option is not available if the client is not claiming MCA for the currently selected tax year. The address of the spouse or civil partner should be entered when transferring surplus allowances. If the address is not present in the system when you close the Allowances page, you are prompted to enter it. If you select Yes the Additional information page is opened; enter their address here.
Married couple's surplus allowance (to spouse or civil partner)	Enter the total amount of surplus married couple's allowance that the client is transferring to their spouse or civil partner. This box is only available if the Transfer any surplus MCA to spouse or civil partner box is ticked.
Use any surplus MCA transferred from spouse or civil partner	Tick the box if the client wants to claim their spouse or civil partner's unused married couple's allowance. This option is not available if the client has elected to transfer surplus MCA to their spouse or civil partner.
Married couple's surplus allowance (from spouse or civil partner)	Enter the total amount of surplus married couple's allowance that the client can have. This box is only available if the Use any surplus MCA transferred from spouse or civil partner box is ticked.
Transfer any surplus Blind Person's allowance to spouseor civil partner	Tick the box if the client wants their spouse or civil partner to have any surplus blind person's allowance. This option is not available if the client is not claiming that allowance for the currently selected tax year. The address of the spouse or civil partner should be entered when transferring surplus allowances. If the address is not present in the system when you close the Allowances from, you are prompted to enter it. If you select Yes the Additional information page is opened; enter their address here.
Blind person's surplus allowance (to spouse or civil partner)	Enter the total amount of surplus blind person's allowance that the client is transferring to their spouse or civil partner. This box is only available if the Transfer any surplus Blind Person's allowance to spouse or civil partner box is ticked.
Use any surplus BPA transferred from spouseor civil partner	Tick the box if the client wants to claim their spouse or civil partner's unused blind person's allowance. This option is not available if the client has elected to transfer surplus blind person's allowance

Option	Description
	to their spouse or civil partner. The client can only use surplus BPA in this way if their spouse or civil partner has a Registered Blind event in their Events & Family Log. You are automatically warned if this is not the case.
Blind person's surplus allowance (from spouse or civil partner)	Enter the total amount of surplus blind person's allowance that the client can have. This box is only available if the Use any surplus BPA transferred from spouse or civil partner box is ticked.
Note: From April 2003, Children's Tax Credit is replaced by Child Tax Credit and Working Tax Credit. These credits are not claimed via the Tax Return, and as such the option to claim CTC from the Allowances form is not available for Year to 5th April 2004 onwards.	
Transfer any surplus CTC to partner	Tick the box if the client wants their partner to have any surplus CTC. This option is not available if the client is not claiming CTC for the currently selected tax year.
Children's Tax Credit (to partner)	Enter the total amount of surplus CTC that the client is transferring to their partner. This box is only available if the Transfer any surplus CTC to partner box is ticked.
Use any surplus CTC transferred from partner	Tick the box if the client wants to claim their partner's unused CTC. This option is not available if the client has elected to transfer surplus CTC to their partner.
Children's Tax Credit (from partner)	Enter the total amount of surplus CTC that the client can have. This box is only available if the Use any surplus CTC transferred from partner box is ticked.

If the client does elect to transfer or use any surplus or unused allowance, you must enter the required details about their spouse or civil partner on the Additional information page.

Others

Blind person's allowance

A person counts as blind if:

- they live in England or Wales and their name appears on the local authority's register of blind persons.
- they live in Scotland or Northern Ireland and they are so blind that they cannot perform any work for which eyesight is essential.

If the client is resident abroad they cannot claim blind person's allowance.

If the client was only placed on the register during the currently selected tax year, they can still claim the full allowance for the previous tax year if they have evidence of blindness by the end of that year. This is usually an ophthalmologist's certificate.

If the client became blind during the currently selected tax year they may still claim the full allowance.

Option	Description
Amount of claim	This defaults to the full amount of allowance as determined by the currently selected tax year. You can change this amount if you want to. If you do change it and you then want to return to the calculated amount, click Default to set the client's allowance at the appropriate level.
Date of registration	This date will be taken from the date that your client was registered blind as entered in the Events & Family Log.
Local authority	This information will be taken from the Events & Family Log.

Age related allowance (if over 65)

There are two levels of age related allowance; 65-74 and 75+. Personal Tax defaults the Maximum claim amount according to the former.

The amount of age-related allowance that the client will receive is affected by the client's total income. If their earnings exceed a specified threshold for the currently selected tax year, the allowance will be reduced until the normal level of personal allowance is attained. Personal Tax does not currently take the client's total income into account when calculating their age-related allowance.

Personal Tax will calculate if the client is of limited means or not and adjust the Age related allowance accordingly when you run a calculation. You can do this at any time by opening Current working figures in the Tax return and computations folder; a calculation is automatically run when you open the form. You can view the calculation that the system has made by selecting the Interim Returns tab and opening the Calculation Guide.

Option	Description
Maximum claim	The client's date of birth will be taken from the Events & Family Log. If the client is over 65 and is of limited means, the Maximum claim defaults to how much the client can claim above the normal Personal Allowance because of their age. You can change this amount if you want to. If you do change it and you then want to return to the calculated amount, click Default to set the client's personal allowance at the appropriate level.

Child's Tax Credit

Note: From April 2003, Children's Tax Credit is replaced by Child Tax Credit and Working

Tax Credit. These credits are not claimed via the Tax Return, and as such the option to claim CTC from the Allowances form is not available for Year to 5th April 2004 onwards.

CTC is available for people who have at least one child under 16 living with them. Please note, a client cannot claim both CTC and Married Couples Allowance. To claim CTC the client must have at least one child who is:

- Their own child, a stepchild, adopted child or a child they look after at their own expense;
- Under 16 at the start of the tax year; and
- Resident with the client for at least part of the tax year.

A family can only claim one CTC credit, and the credit is usually given to the partner with the higher income. However, where neither partner has income chargeable to higher rate tax:

i. the partner with the lower income may make a claim for relief, in which case the relief is split equally between them;

ii. they may jointly elect (usually before the start of the relevant tax year) that all the credit go to the partner with the lower income.

There is a special CTC rate for babies. For families with a baby born on or after 6 April 2002, then in the tax year of their child's birth an additional £520 is available to claim. This means that for these families Children's Tax Credit relief is worth up to £1049 in 2002-2003. Personal Tax has been amended to default any CTC allowance to the youngest child found in the Events & Family Log, and to apply the appropriate rate for their age. Personal Tax will also always select the youngest child of the claimant as the child for whom details will appear on the SA100.

Option	Description
Name of child	The name of an eligible child will be taken from the Events & Family Log. You cannot enter details straight into this box, you must enter the child's details in the Events & Family Log.
Child's Date of Birth	The child's date of birth will also be taken from the Events & Family Log.
Child did not live with client throughout tax year	Tick this box to indicate whether the child lived with the client throughout the year. If this box is ticked, then the client will be claiming a partial share of the tax credit for the named child.
Client is claiming partial shares for more than	This box is only enabled if the Child did not live with client throughout tax yearbox is ticked. This box should be ticked if the client's claim is made jointly with another party. Ticking this box will cause an Additional Information window to appear. You should enter in this window details of any other children and claimants. This information will then be recorded in the

Option	Description
one child	Additional Information section of the Return.
Partner's details - Surname	This box will show the details of any spouse or partner entered in the Events and Family Log.
Partner's details - NI number	If a National Insurance number has been entered for the partner, then this will appear here, taken automatically from the Events & Family Log.
Partner's details	You are given three options to determine the partners status: ■ Partner lived/did not live with client throughout tax year - this option will be set by the details in the Events and Family Log. ■ Partner liable to higher rate tax in the tax year - ticking this box will disable the CTC allocations as CTC must be allocated to the higher income partner. ■ Partner has higher income than the client - ticking this box indicates that the partner has the higher income and therefore CTC will be given against that parties income.
CTC Allo-cation	You are given three options of how to allocate the CTC: ■ All CTC to higher income partner - by default the CTC allocation is set to the higher income partner. ■ 50:50 Split between partners - select this option to split the allocation equally between partners. ■ Election for all CTC to lower income partner - both partner's details must be in the Events & Family Log, as well as the child. Tick this box to elect that all CTC be allocated to the lower income partner. You should also tick the box to indicate that the other partner has the higher income than the tax client, (otherwise the system will assume that the client is not the lower income partner).
Amount of CTC claimed before any higher income reduction (@10%)	This box is only enabled if the CTC claim is shared. This should be manually altered to determine what amount the client is to receive.

Additional Information

This tab becomes available if client is claiming transitional allowance or transferring/using surplus allowances.

Option	Description
Address/Postcode of spouse or civil partner	Enter the details of the spouse or partner that you are sharing allowances with or transferring allowances to.
NI Number	Enter the NI Number of the spouse or partner.
UTR	Enter a unique tax reference for the spouse or partner.
Tax office	Enter details of the tax office for the spouse or partner. You can use the lookup to search for the tax office if necessary.

Summary

Personal/Married couple's allowance

Option	Description
Amount of personal allowance	This is the total amount of personal allowance that the client is claiming.
Max. age related allowance	This is the total amount of age related allowance that the client is claiming.
Amount of MCA claimed	This is the total amount of married couple's allowance that the client is claiming.
Max. age related MCA claimed	This is the maximum amount of age related married couple's allowance that the client is claiming.
Date of birth of previous wife/spouse lived with in year	Enter the date of birth of any spouse the client has lived with previously in the same tax year.
Full name	This is the full name of the client's spouse or civil partner.
Tax reference	This is the tax reference of the client's spouse or civil partner.
Re-allocation of half the allowance	The box is ticked if the spouse or civil partner has half of the Married couple's allowance allocated to her.
Re-allocation of has all the allowance	The box is ticked if the spouse or civil partner has all of the Married couple's allowance allocated to her.
Date of marriage or civil partnership	The date of the client's marriage or civil partnership is shown if it was within the currently selected tax year.
Date of birth	This is the date of birth of the client's spouse or civil partner.

Other allowances

Option	Description
Blind person's allowance	
Registration date (if first year of claim)	This is the date that the client was registered blind. This only appears if the client was registered blind during the currently selected tax year.
Local authority	This is the name of the local authority with which the client is registered blind.
Blind person's allowance	This is the total amount of blind person's allowance that the client is claiming.
Transitional allowance	
Claim Transitional allowance	he box indicates whether or not the client is claiming Transitional allowance.
Amount of transitional allowance	This is either the amount that the client's husband has agreed with her, or the figure that has been agreed with HM Revenue & Customs.
Widow's bereavement allowance	
Date of husband's death	This is the date of the client's husband's death.
Widow's allowance	This is the total amount of widow's bereavement allowance that the client is claiming.

Transfer of surplus allowances

Option	Description
Transfer allowances to spouse or civil partner	The box indicates whether or not the client has elected to transfer any married couple's surplus allowance, blind person's surplus allowance or surplus transitional allowance to their spouse or civil partner.
Use spouse or civil partner's allowances	The box indicates whether or not the client has elected to use any or all or their spouse or civil partner's married couple's surplus allowance or blind person's surplus allowance.
Married couple's surplus allowance	This is the total amount of Married couple's surplus allowance that the client can have.

Option	Description
Blind person's surplus allowance	This is the total amount of Blind person's surplus allowance that the client can have.
Transfer any surplus CTC to partner	The box indicates whether or not the client has elected to transfer any CTC surplus allowance to their spouse or civil partner.
Use any surplus CTC transferred from partner	The box indicates whether or not the client has elected to use any or all or their spouse or civil partner's CTC allowance.
Children's Tax Credit	This is the total amount of CTC surplus allowance that the client can have.

Additional Information

This page becomes available if the client has elected to transfer or use any surplus or unused allowance or if they are claiming transitional allowance. You must enter the following details about their spouse:

- Address of spouse or civil partner
- Postcode
- NI number
- UTR
- Tax office

This appears in the Additional information box on the client's Tax Return.

How do I get here?

Personal details > Allowances.

What's this page about?

Use this page to enter details about any personal allowances that the client wants to claim.

The Allowances page is closely linked to the Events & Family Log. Personal events that you enter in the Events & Family Log will automatically affect the allowances that the particular client can claim. For example, if you create a Married event for the client, and either the client or their spouse are over 65, Personal Tax ticks the Claim Married Couple's Allowance box on the Allowances page by default, indicating that the client is claiming this allowance.

Similarly if events in the client's Event Log are edited or deleted, the system defaults the allowances that the client is claiming. If you deleted the appropriate Married event, the

Claim Married Couple's Allowance box would be cleared and the client would no longer be claiming that allowance.

As well as defaulting the allowances that the client is claiming for the currently selected tax year, changes made in the Event Log also affect claims for other tax years that clients are set up for.

Note: Changes in the Event Log affect allowances for all tax years for a client.

Override the automatic claiming of allowances

You can choose to override the associations that are automatically made between the Events & Family Log and the Allowances form by manually changing the details in the form.

For example. clearing the Claim Married Couples Allowance box would stop that client claiming MCA regardless of what the Event Log has assumed.

Click Default for Personal Tax to claim allowances automatically based on information in the Events & Family Log.

Linking allowances with other clients

Some allowances affect a client and their spouse or civil partner. If the spouse or civil partner is set up for Personal Tax, you'll be asked whether you want their details updated when you close the client's allowances page.

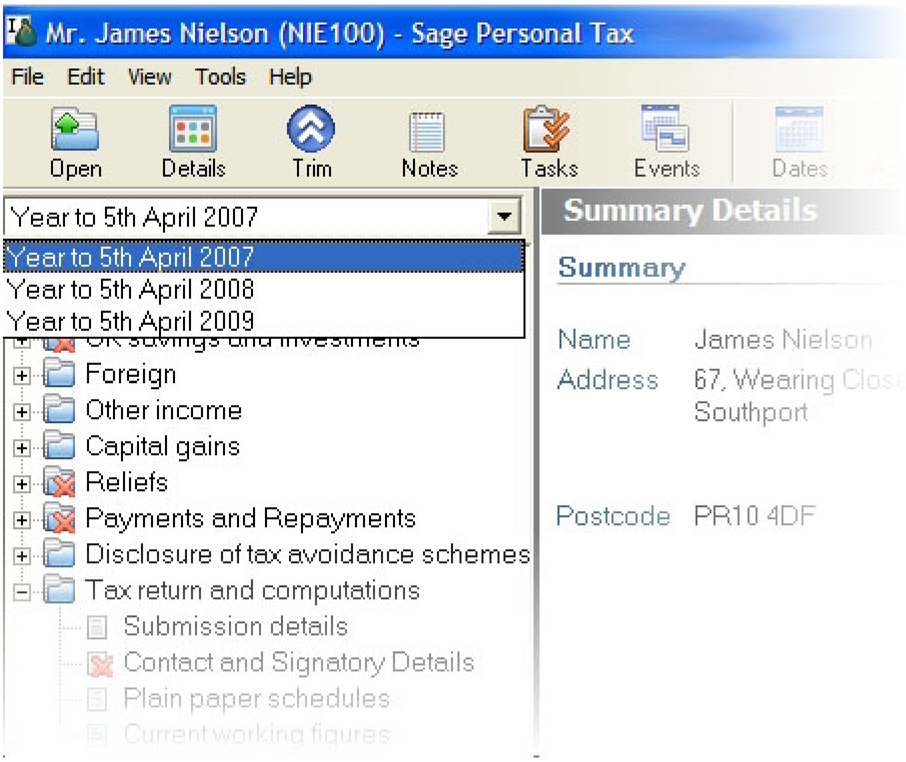
Where does this information go?

On the return, this information will appear on the main tax return and on the Additional Information pages.

Other FAQs about this page

How do I change the tax year?

The tax year that you are entering details for is shown at the top of the data entry page. If you want to change the tax year, you should select a new date from the drop-down list at the top of the navigator. Click here to see an example.



What do the Auto calc, Estimated and Complete options do?

- Auto calc - If you tick this option, the calculations will be automatically completed for you where possible. If you untick this box you will see a new tab appear called Summary.
- Estimated - Tick this box to indicate that the figures you've used are estimated. This will then show on the item in the navigator, and at the higher level folder in the navigator by showing a small e.
- Complete - Tick this to indicate that the form is complete. A green tick will appear on the item in the navigator and at the higher level folder in the navigator.

I've made a mistake. How can I get out of this page without saving my changes?

If you want to close the page without saving any of your changes, you can click Cancel. If you were adding new details, then nothing will be saved. If you were editing an existing item then the page will close, reverting to your previously saved details.

How do I use data entry forms?

Data entry forms are the primary way to enter information into Personal Tax. When you double-click on most of the items in the navigator, a data entry form appears in the space on the right.

Each form will handle a specific aspect of the client's tax situation, such as Residency status, Employment details, and Capital Gains.

When you have a form open, you should save the data before moving on to a different area or a different client. Clicking the OK button on each form will save it and close the form, clicking Apply will save the changes but leave the form open, and clicking Cancel will discard any changes you've made and close the form.

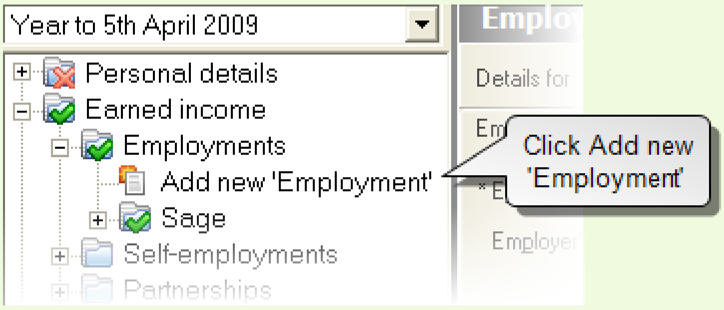
Help is available for most of the data entry forms. Clicking the Help button will display the help (a quicker way is to press F1 on your keyboard).

Click here to see an example of using a Data Entry form

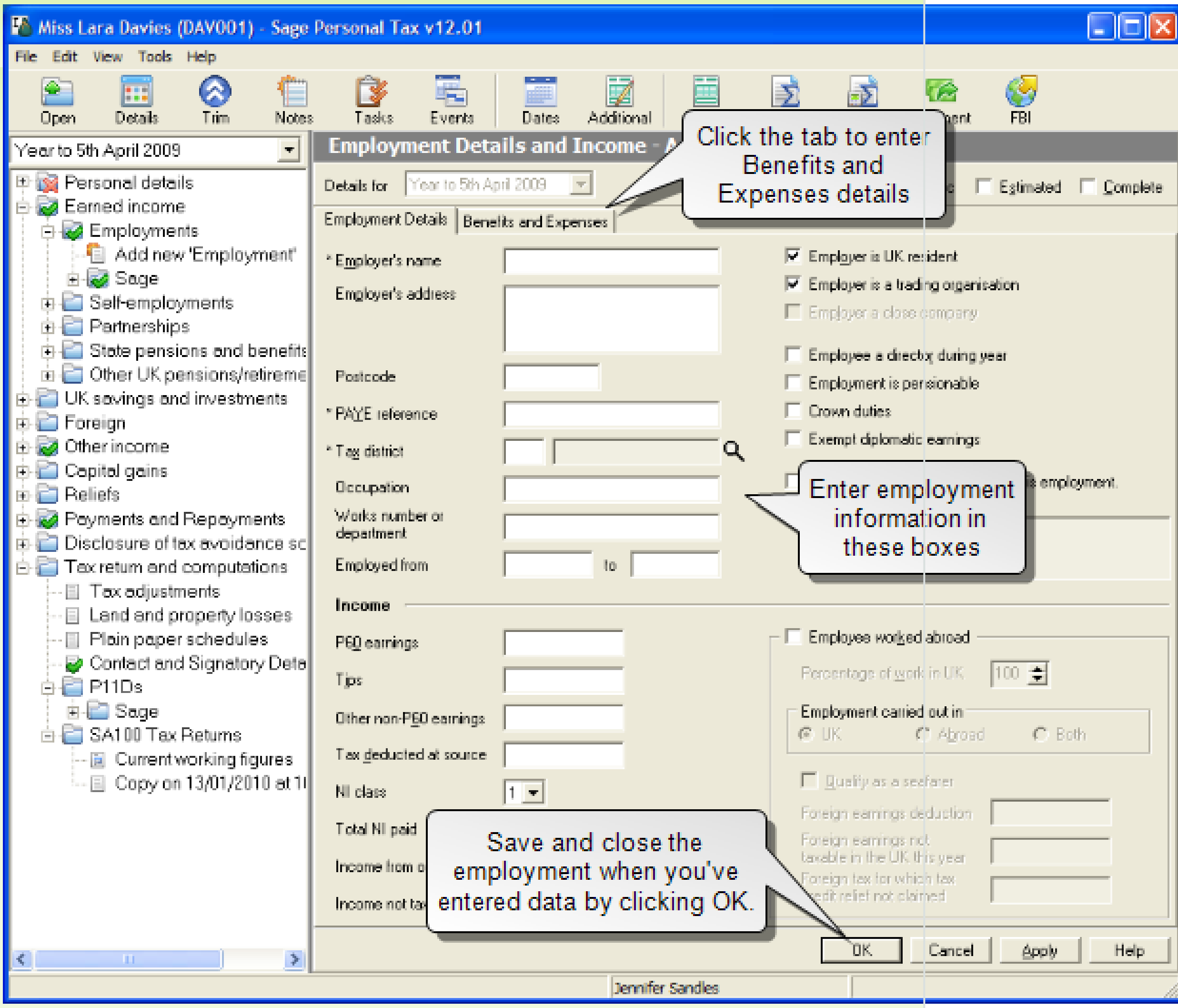
Example

To add a new employment for a client

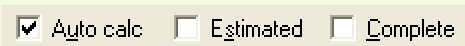
1. Open the client and select the correct tax year. Personal Tax will open the client for the tax year last ended based upon the system date.
2. Using the Annual Data Navigator, select Earned income > Employments > Add new 'Employment'



3. Double-click Add new 'Employment'. The Employment Details and Income data entry form appears in the right-hand pane. Click here to see the Employment Details and Income window.

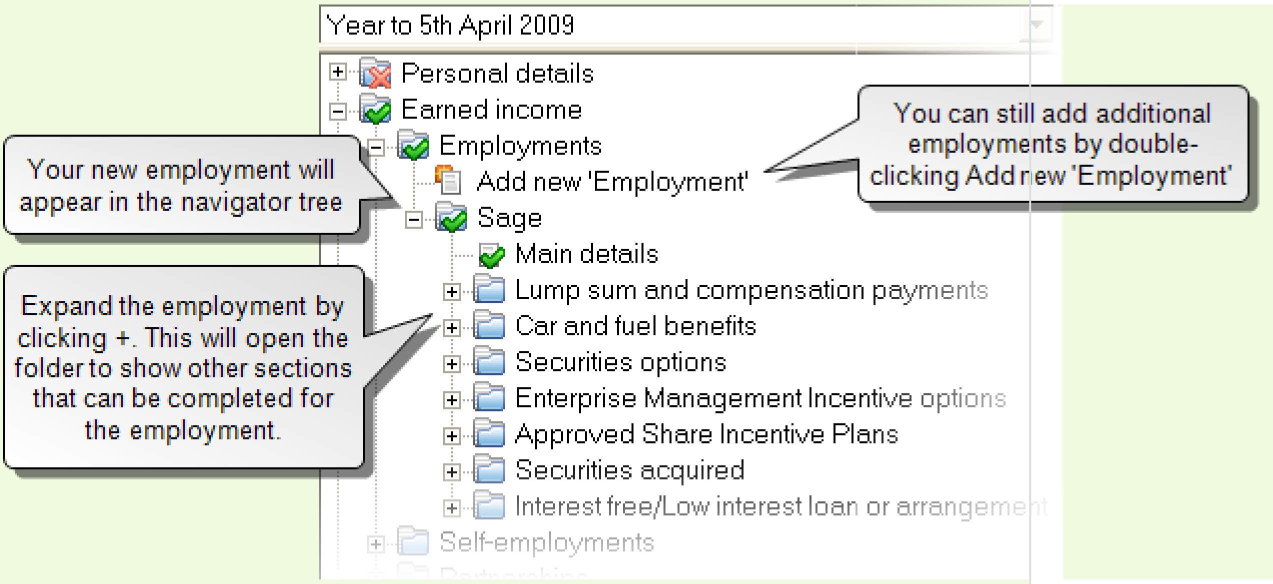


4. Fill in the form.
5. At the top of the form there are three check boxes that are common amongst all data entry forms.



- Select Estimates to indicate that some of the figures you've entered on the form are estimates. This does not appear on the Tax Return but a mark appears beside the item in the navigator tree as a reminder.
- If you have entered sufficient details for the Tax Return, Personal Tax will mark the data entry form as complete. You may choose to mark this complete manually.
- With Autocalc ticked, Personal Tax will use the details entered in the data entry form to calculate the figures to send to the Tax Return. You can override this by clearing the Auto-calc check-box and entering your own summary figures in the Summary tab.

6. When you have entered the details for the employment, click OK to save the changes.
7. The employment will appear in the navigator tree. Double-clicking the employment will expand the item and reveal further sections that can be completed. To complete a further section, click the plus symbol next to the section, then double-click the 'Add new' item.



Viewing the Tax Return

At any time during this process you can check how the SA100 Tax return will look, using the data you've entered so far (also known as the current working figures). The Tax return will be generated based on data currently entered for the client. The only way to change the information displayed on a Return or report is to edit the information entered into the data entry forms.

The tax return opens in the Tax Return Viewer.

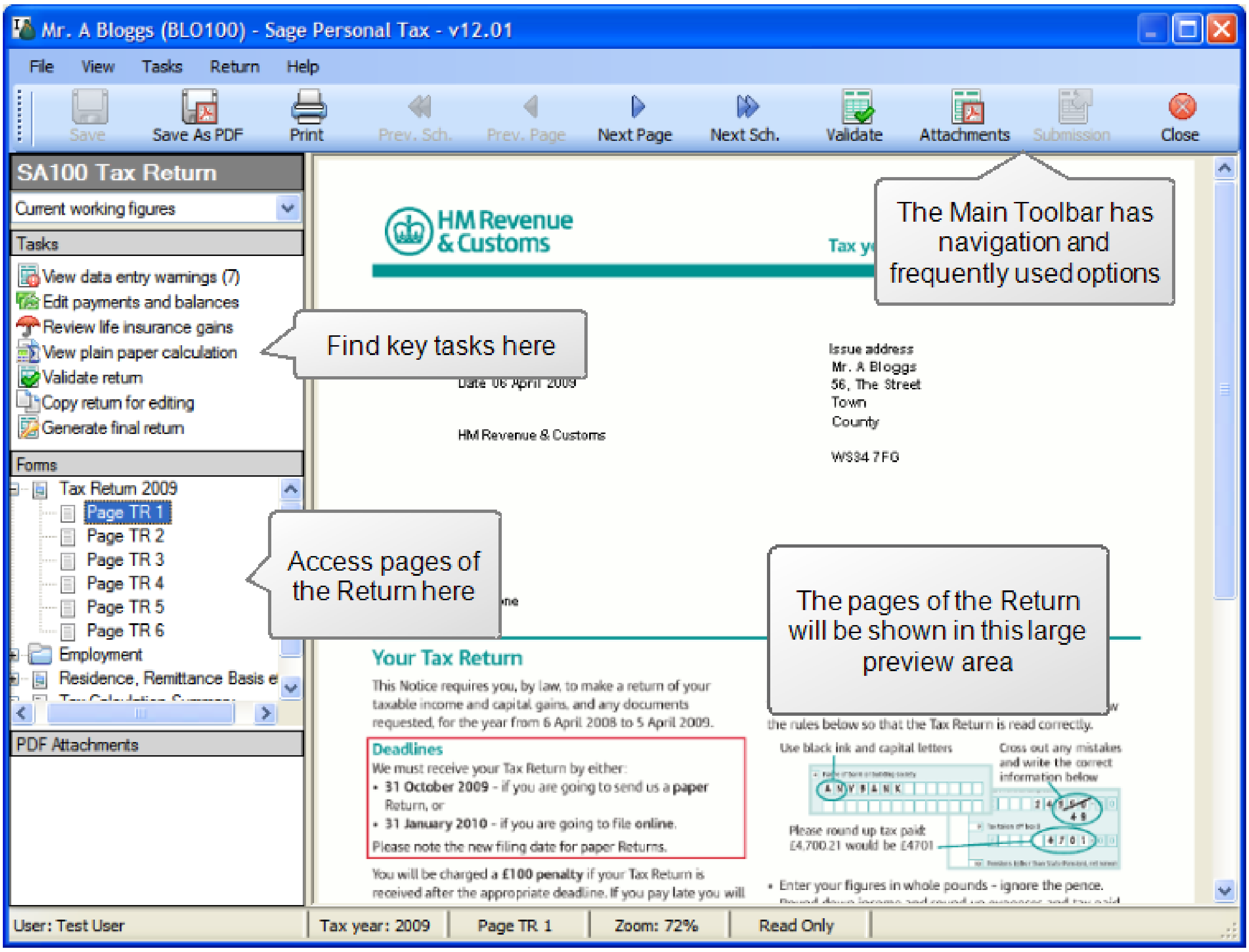
Tax Return Viewer

The Tax Return Viewer is your centre for managing Tax Returns and the submission process.

To open the viewer:

- Click the Return button on the main Toolbar
- Using the Navigator, open Tax Return and Computations > SA100 Tax Returns > Current Working Figures (or any other copy available).

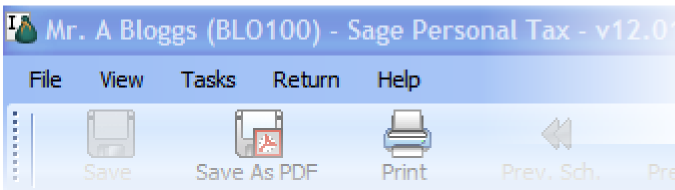
Show the Tax Return Viewer



Menu

You can access all the functions of the Tax Return Viewer from the menu. Many of the options will also be available in the Tasks pane.

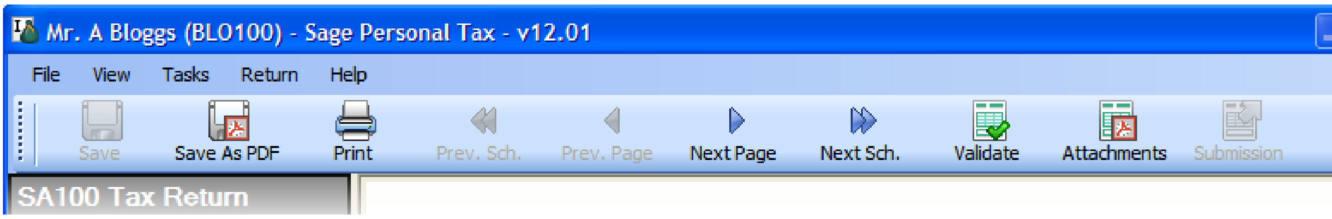
Show menu



Toolbar

The most popular Tax Return Viewer functions are available on the Toolbar. You'll find many of these options repeated in the Menu or the Tasks pane.

Show Toolbar

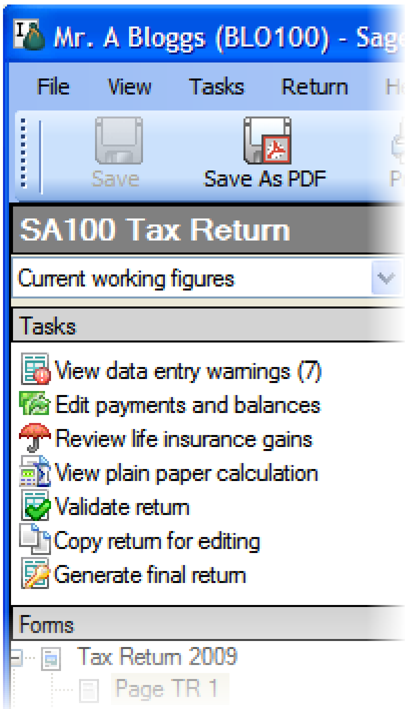


Tasks

The most common tasks you're likely to use the Tax Return Viewer for are available in the Tasks pane. Click on a task to start each process.

Note: The actual tasks available to you are dependent on your access rights in Sage Taxation. If you click on a task and get a message about increasing your access rights, speak to your administrator.

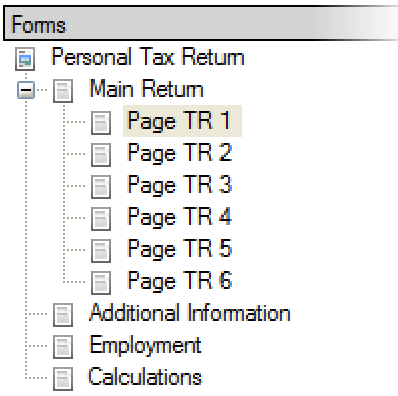
Show Tasks pane



Forms

The Forms pane is an easy method of moving through the Tax Return. This is similar to the main Navigator in Personal Tax so you'll already be familiar with it. Click on a page to jump straight to that page.

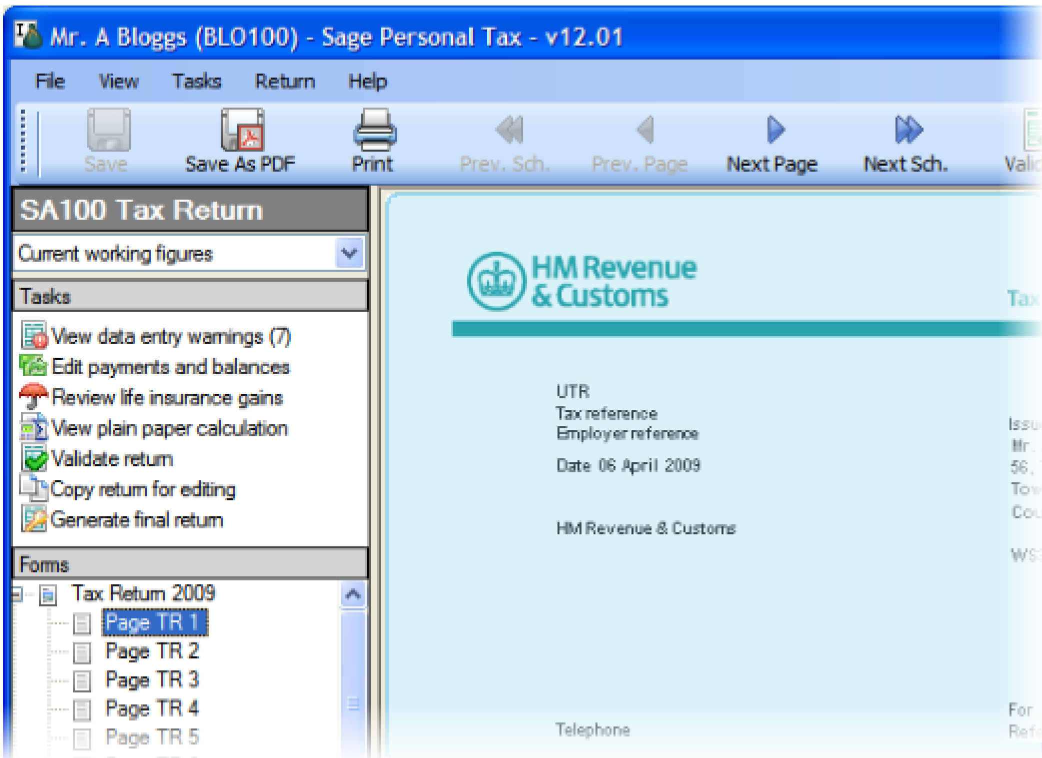
Show the Forms pane



Tax Return

The page of the Return being viewed is displayed in the large preview area. Use the scrollbars to move through the page being displayed.

Show the Tax Return



View data entry warnings

The Data Entry Warnings window will show a lost of areas of the return that are incomplete. You can print the list and then return to the data entry pages to complete the relevant sections.

A more complete validation is carried out when you click the Validate return task.

To view the data entry warnings:

1. Open the Tax Return Viewer
2. From the Taskspane click View data entry warnings. The Data Entry Warnings window appears.
3. A report on incomplete or estimated data entry is prepared. You can print this to help work through the list, reviewing each source.

Edit Payments and Balances

Click Edit payments and balances in the Tasks pane to open the Payments and Balances window.

If you change any figures on this window, click Recalculate to make your changes take effect.

Click on an item to find out more:

Tax owed/Tax overpaid

This is the total amount of tax that the client owes or has overpaid for the currently selected tax year. You cannot change this default amount.

Payments due

In the situation where you need to increase the payments made on account, for example where reductions may have been claimed erroneously and additional payments are required immediately, you can manually edit the values.

- Increase to 31st January <tax year> payment on account.
- Increase to 31st July <tax year> payment on account.

Balancing payment for year to 5th April <tax year>

- If 'No Claim' has been selected on the Main Details page of the Repayments form, and a repayment is due, the repayment will be offset against the first payment on account, to show a reduced payment amount. A negative value indicates that there is an overpayment which is to be used to reduce the first payment on account.
- If a claim is made 'Via SA100' on the Main Details page of the Repayments form then the amount shown here will be the full payment.

First payment on account for year to 5th April <next tax year>

The value for the first payment on account for the next tax year will be displayed here.

Total payment due on 31st January <next tax year>

This is the Balancing payment plus the first payment on account for the next tax year.

Second payment due on 31st July <next tax year>

This is the second payment on account for the next tax year.

Life Insurance Gains

The Life Insurance Gains window displays details you've entered in the data entry forms (at the time the copy of figures was taken).

Changes you make in this window will be reflected in the copy of figures only.

View the plain paper calculation

The PPC will give a report of the client's income and any losses, deductions or relief, to give a final amount of tax to be paid.

The PPC will be produced for the year currently selected for the client. Generally this will be the previous tax year currently being worked on.

You can also view the Plain Paper Calculation from the Annual Data Navigator, bu clicking Calculation on the toolbar.

Find errors with the Return

Personal Tax validates the SA100 Tax Return according to the rules laid down for submission by Filing By Internet Returns by HM Revenue & Customs. A return must pass these validations before it can be submitted via the Internet. We also recommend validating your paper returns before submitting to reduce the chances of the return being rejected.

As part of filing online, your clients' returns are validated by HMRC servers. There are some instances where the HMRC server will incorrectly report a data validation error against a submitted return. See Special Cases and Exclusions to see how this might affect your clients' returns.

Validations are performed whenever the figures are recalculated:

- When you open the Tax Return Viewer
- When you generate a Final Return

To find errors within the return:

1. With the return open in the Tax Return Viewer, click the Validate button on the toolbar. If the validation finds errors, the Validationspane appears at the bottom of the viewer.
2. Double-click an error to go to that place in the return.

3. If you want to print a list of the errors, so that you can return to the data entry forms and make all changes, right-click on the Validations pane and choose Print Validation Errors.

Notes

- The Return must pass ALL validations with no errors before it can be filed by Internet.
- You should correct the information in the appropriate data entry form then generate a new Final Return. You should not correct the error by manually editing the return. If you do this, the Current Working Figures and all copies generated from them will still contain errors.

Copy return for editing

You can make a copy of a return, which will be a snapshot of the figures at the time that the copy was taken. Whereas a return from Current Working Figures will always be up to date, copies of figures will not reflect changes you make in the data entry forms.

You may want to create copies of figures:

- To change the values on a return without affecting the underlying data.
- To add attachments to a return.
- To manually edit the return within the viewer. You cannot manually edit a return in the viewer using the current working figures.

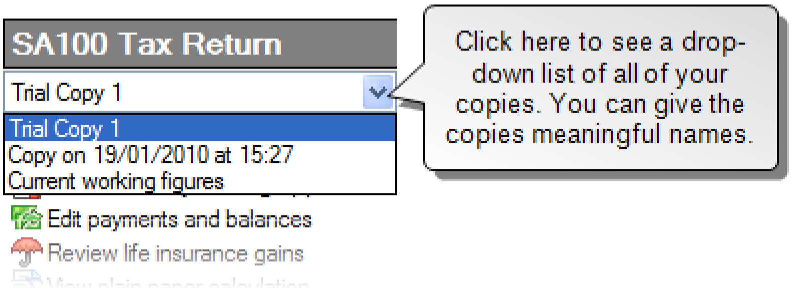
  Note: Using the Data Entry Forms is the preferred way to make changes to the figures on the Return. This is the only way to make sure that your changes appear in all current working figures you generate for that client.

To make a copy of figures:

1. Open the Tax Return Viewer. How?
   a. In Personal Tax, use the navigator to find Tax Returns and Computations > SA100 Tax Returns If an R40 has been selected, this will be Tax return and computations > R40 Tax Returns
   b. Double-click Current Working Figures.
2. From the Returnmenu choose Copy Figures
3. You will be asked to enter a name for the copy of the return. You can give it any meaningful name, or you can use the date and time stamp that is given by default.
4. The new copy will appear in the Tax Return Viewer.

To switch between copies of figures:

1. In the Tax Return Viewer, click the drop-down arrow at the top of the navigator.



2. Click the name of the copy that you want to show, and it will appear in the Tax Return Viewer.

Submitting the Tax Return

There are two methods of submitting the client's Tax Return.

- By paper
- By Internet

Both methods use the Submission wizard to walk you through the submission process. You can close this wizard at any point during the process. When you want to continue with the submission simply click Continue submission process in the Tasks pane. The submission wizard opens at whatever stage you left it. You can also click Back at any time to move back a stage. As stages of the submission process for a return are completed, the dates you enter will appear on the Dates page in Control Centre.

File a Return by paper

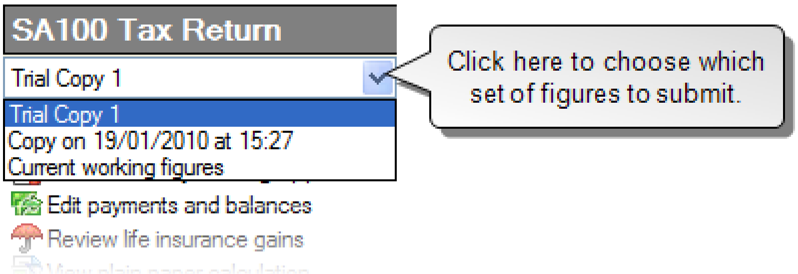
If you choose to file by paper, you (or your client) will print out a copy of the return for filing.

When using this method, it's not necessary for the return to pass all validations. Personal Tax will allow you to mark the return Filed even though it failed some of the validation rules. We recommend that you ensure the return has passed validation prior to filing.

To file by paper:

Send the return to the client:

1. Click Return on the toolbar. The Tax Return Viewer opens.
2. Choose the figures you want to submit from the drop-down list above the Tasks pane.



3. If you are using the Current working figures, click Generate final return in the Tasks pane.

   If you are using a copy of the return, click Finalise return for submission.

4. The return will be validated.
   - If there are any data entry warning, you will be prompted to correct these before continuing.
   - The return is also validated using Filing by Internet rules. This can be a good indication of whether the return is ready to be filed. Validation errors appear in a pane at the bottom of the previewer area.

Tip: We recommend that you address data entry warnings and validation errors before continuing to make sure the return is accepted by HMRC.

5. When you're ready to continue, a Finalise Return window appears. Enter a name for this return.
6. From the Tasks pane, click Start Submission process. The Submission wizard appears.
7. Choose File on Paper.

Note: If the return has failed validations, File on Paper will be the only option available.

8. Click Next. The Send Return to Client page appears. Enter the date you sent, or will send, the return to the client. You can send the return two ways:
   - Click Print Return. The Print window opens. Choose your print options then print the return and send it to your client.
   - Click Save Return as PDF. The Save as PDF window opens. Choose your options then save the return. You can then send the PDF to your client as an email attachment.
9. Click Next.

Note: At this stage, you will have sent the return to the client and will be waiting for them to review and sign it. Personal Tax expects you to close this wizard and continue with it when you receive approval from your client.

10. Click Close.

When the client approval has been received:

1. Click Return on the toolbar. The Tax Return Viewer opens.
2. Make sure you have the copy of the finalised return selected in the drop-down list above the Tasks pane.
3. Click Continue submission process. The Submissionwizard appears.

   Tip: Make sure you're on the Client Approval page.

4. Select Yesand enter the date of acceptance.
5. Click Next. The Submit Return to HMRC page appears.
6. Enter the date you submitted the return.
7. Click Next.

   Note: At this stage, you will have submitted the return to HMRC and will be waiting for a submission response. Personal Tax expects you to close this wizard and continue with it when you receive a response from HMRC.

8. Click Close.

When a response has been received by HMRC:

1. Click Return on the toolbar. The Tax Return Viewer opens.
2. Make sure you have the copy of the finalised return selected in the drop-down list above the Tasks pane.
3. Click Continue submission process. The Submission wizard appears.

   Tip: Make sure you're on the HMRC Response page.

4. Enter the date of the response.
5. Click Next. The status of the return changes to submitted.
6. Click Close.

File a return online

To file a return online, Personal Tax is used to prepare each client's return for submission, validate it and send a copy to the client for approval or for reference. You can then file the return individually, or file multiple returns online at once.

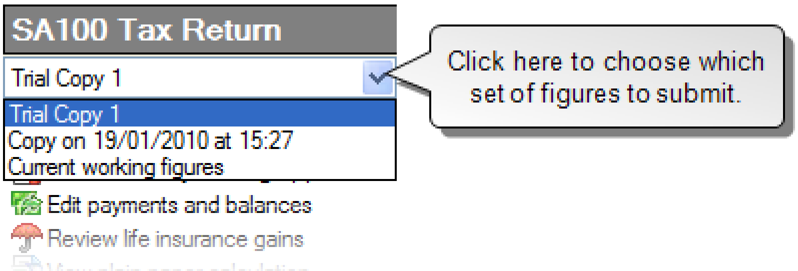
Before you begin

- Your practice must be registered for FBI with HMRC.
- Make sure you've entered your HMRC User ID and password. From Tools, choose Online Filing > Online Filing Credentials

To file online:

Send the return to the client:

1. Click Return on the toolbar. The Tax Return Viewer opens.
2. Choose the figures you want to submit from the drop-down list above the Tasks pane.



3. If you are using the Current working figures, click Generate final return in the Tasks pane.

   If you are using a copy of the return, click Finalise return for submission.
4. The return will be validated.
   - If there are any data entry warning, you will be prompted to correct these before continuing.
   - The return is also validated using Filing by Internet rules. Validation errors appear in a pane at the bottom of the previewer area.

   Note: If the return has failed validations, File on Paper will be the only option available. You must correct failed validations in order to file online.
5. When you're ready to continue, a Finalise Return window appears. Enter a name for this return.
6. From the Tasks pane, click Start Submission process. The Submission wizard appears.
7. Choose File Online.
8. Click Next. The Send Return to Client page appears. Enter the date you sent, or will send, the return to the client. You can send the return two ways:
   - Click Print Return. The Print window opens. Choose your print options then print the return and send it to your client.
   - Click Save Return as PDF. The Save as PDF window opens. Choose your options then save the return. You can then send the PDF to your client as an email attachment.
9. Click Next.

   Note: At this stage, you will have sent the return to the client and will be waiting for them to review and sign it. Personal Tax expects you to close this wizard and continue with it when you receive approval from your client.
10. Click Close.

When the client approval has been received:

1. Click Return on the toolbar. The Tax Return Viewer opens.
2. Make sure you have the copy of the finalised return selected in the drop-down list above the Tasks pane.
3. Click Continue submission process. The Submissionwizard appears.

   Tip: Make sure you're on the Client Approval page.

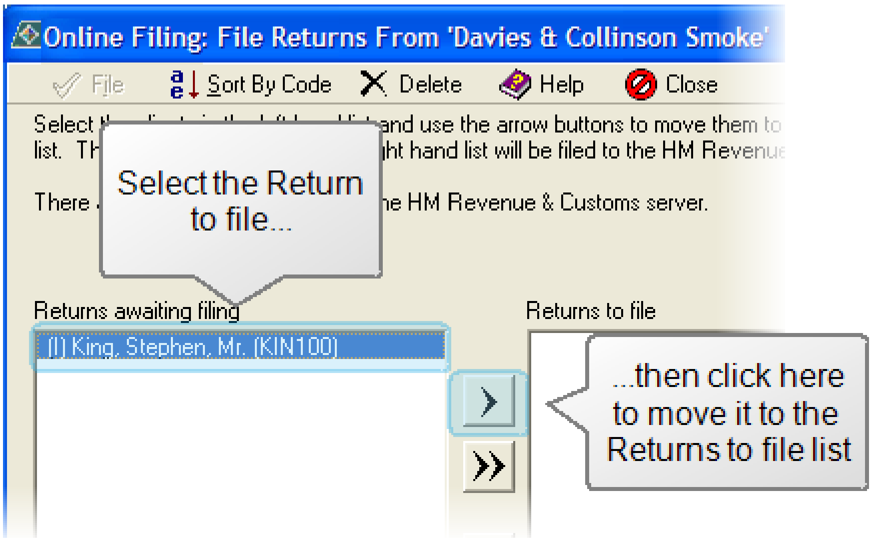
4. Select Yesand enter the date of acceptance.
5. Click Next. The Ready to File page appears.
6. Click Close.

File the return online:

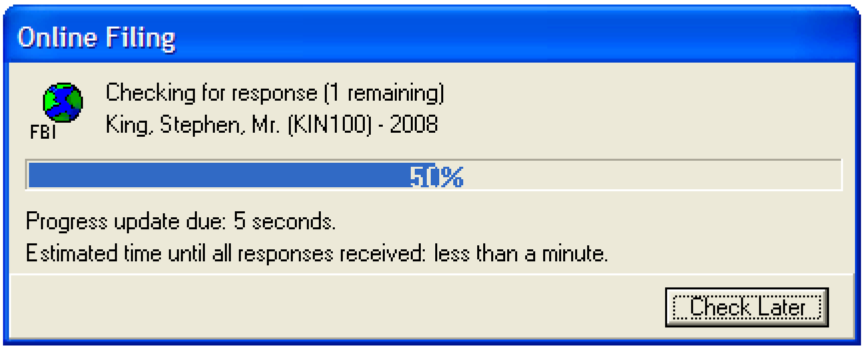
1. Close the Tax Return Viewer by clicking the Close button on the toolbar.
2. Choose Tools > Online Filing > File Returns. The Online Filing window appears.

   Note: If there are returns available to file from more than one year you'll be able to select and process the earlier years before moving on to the later years.

3. Select the return to file then click the arrow button to move the return to the Returns to file list. Show me



4. Click File. Progress bars appear showing the submission status. Show me



When a response has been received by HMRC:

1. Click Return on the toolbar. The Tax Return Viewer opens.
2. Make sure you have the copy of the finalised return selected in the drop-down list above the Tasks pane.
3. Click Continue submission process. The Submission wizard appears.

   Tip: Make sure you're on the HMRC Response page.

4. Enter the date of the response.
5. Click Next. The status of the return changes to submitted.
6. Click Close.

Year Update

When you set up a client in Personal Tax you will have one tax year available to enter data for. Before you can work on subsequent tax years you will need to year update.

Year updating carries forward (or backwards) information that is unlikely to change on a year-on-year basis. For example, if you create an Employment item in 2005 and year update to 2006, then main details of the employment will carry forward to 2006 saving you the trouble of re-entering them.

We'd recommend year updating all your clients at the beginning of the tax year rather than on an individual basis. Your clients will then all be included in progress reports for the year.

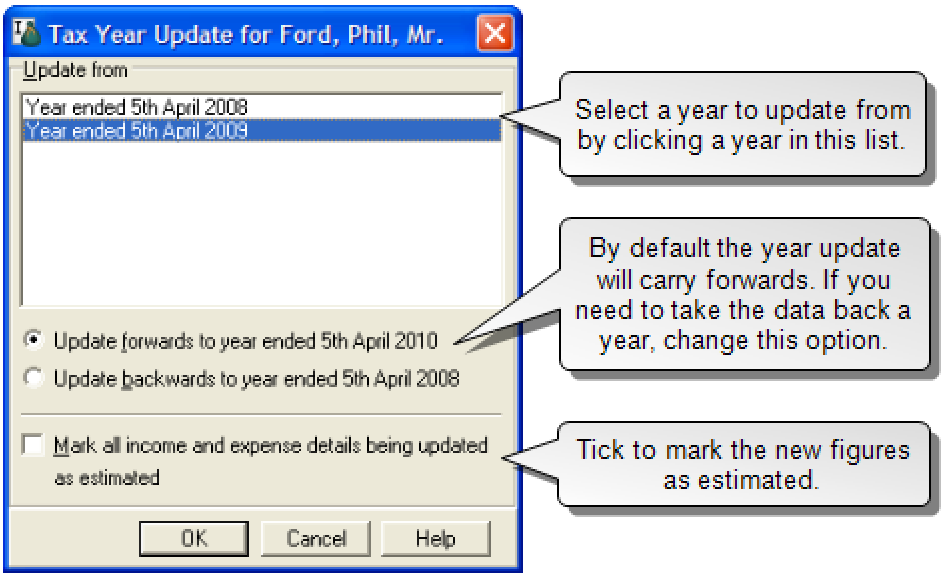
- If your client operates a new business but is behind in filing returns, you may need to create the previous tax year before year updating to work on the current tax year.
- Clients that have transferred from other practices will have previous returns. It may be useful to take this information and enter data in the previous year so you have a fuller record of their tax history.

Note: Sage Instant Taxation customers are not able to year update to the 2011 tax year.

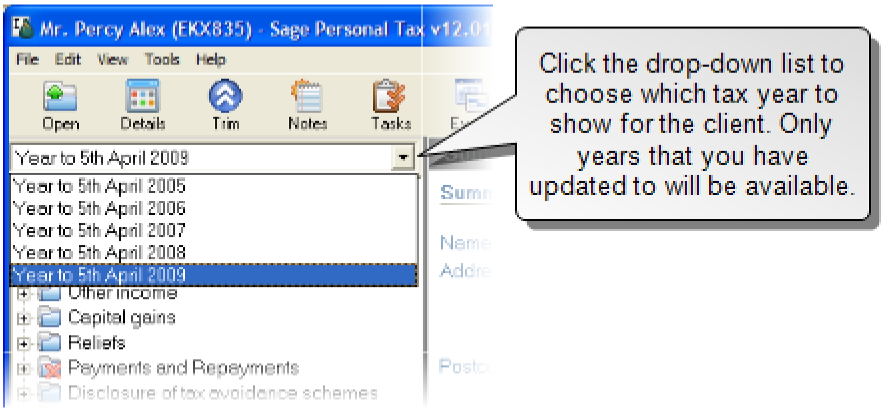
To find out more about Sage Taxation, how it differs from Sage Instant Taxation, and how it can help you in your practice, contact us on 0845 111 11 11 or go to our website www.sage.co.uk/accountants.

To year update a client's data:

1. From the Tools menu, choose Year Update. The Year Update window appears.



2. Select the year to update from. You can update from any available year, but if you choose to update to an existing year; data will be overwritten. You will be warned if you try to do this.
3. If you are year updating to the current tax year and you want to mark the figures as estimated in the new year, tick the box.
4. Click OK. Your client's data will be carried forward or back, depending on your choice. A message will appear when the update it complete.
5. The new year will now be available in the Annual Data Navigator in the year drop-down list.

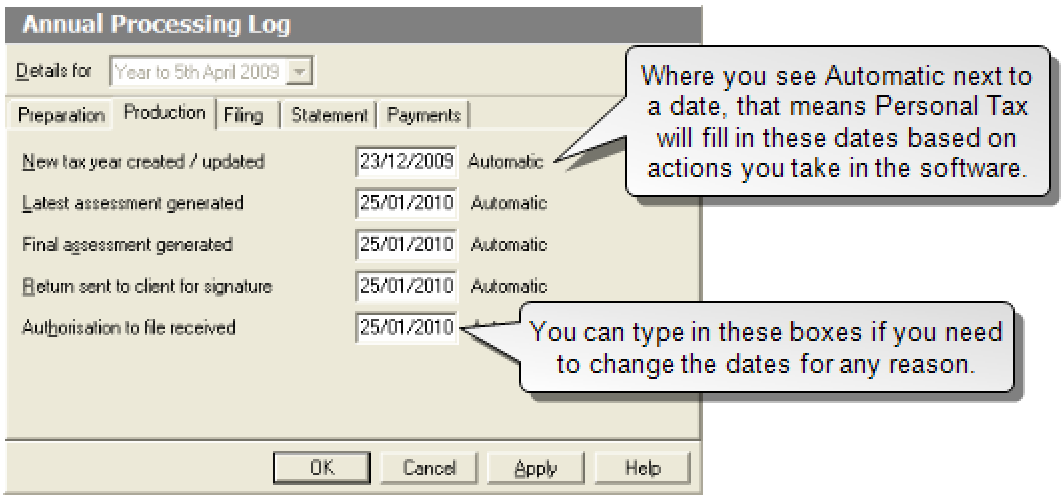


Annual Processing Log

You can open the Annual Processing Log by choosing Processing Log... from the Tools menu.

Personal Tax automatically records progress by inserting dates into the Annual Processing Log. The word Automatic appears alongside these dates in the log (This marker disappears if you then edit the date). You can keep a more comprehensive record by inserting further dates manually into the log. You can choose to overwrite all dates in the Annual Processing Log. The dates are ordered into different categories, which appear on separate pages e.g. Preparation, Payments.

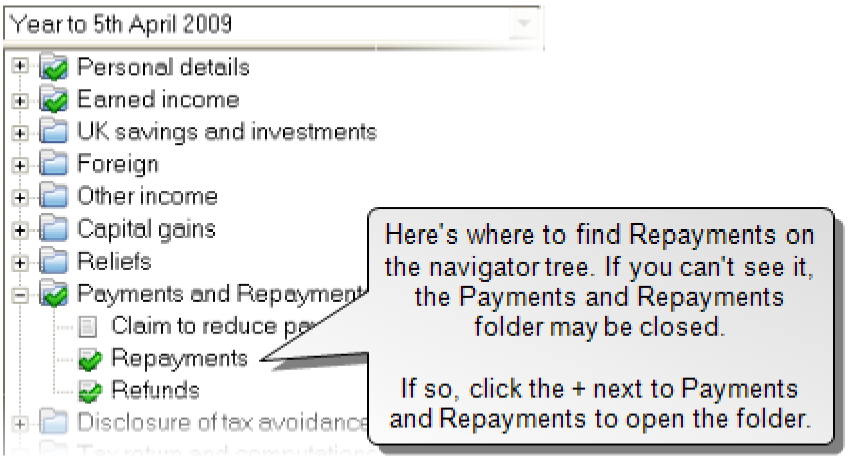
All of the dates within the Annual Processing Log can also be seen in Control Centre. Most of the dates are 'tax-year specific dates' and can be found by selecting the appropriate tax year. Dates relating to statements of account are 'fixed dates' which means that only one date will exist relating to all years.



Repayment Claims

Use the Repayments form to enter details about a claim for repayment of excess tax paid. All details you enter on this form are used in the Other information section of the return.

Click Repayments on the navigator to open the form.



Choose how to claim a repayment by selecting one of the options:

- No claim
- Claim via SA100
- Claim via R40

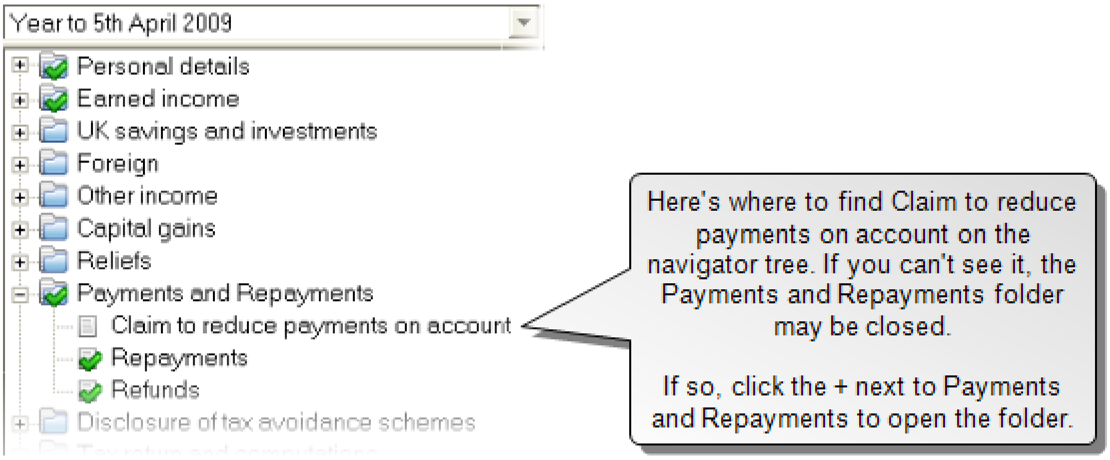
If you choose to make a claim, other tabs will become available to identify how you would like the claim to be repaid.

Claim to Reduce Client's Payments on Account

Use this form if the client is claiming to reduce their payments on account.

These details are used in HM Revenue & Customs form SA303.

Click Claim to reduce payments on account to open the form.



Choose how to claim a payment on account by selecting one of the options:

- No claim
- Via SA303 form
- Via Tax Return

If you choose to make a claim, you will also need to complete the details on the Reclaiming tab. Depending on the options you choose, the Payment and Agent's Details tab may also become available.

Blank Tax Forms

You can view the SA100 and all schedules, plus the P11D, SA303 and R40 with no data entered. These are useful if you need to print out any blank forms for completing manually.

From the Tools menu choose Blank Forms, then your selection. The blank form opens with it's name showing at the top of the navigator. Details about the form appear on the status bar at the bottom of the page.

Note: Sage Instant Taxation customers are not able to view the P11D.

To find out more about Sage Taxation, how it differs from Sage Instant Taxation, and how it can help you in your practice, contact us on 0845 111 11 11 or go to our website www.sage.co.uk/accountants.

Product Training

Sage offers both standard and tailored training courses. Sage can advise you on your training needs and recommend appropriates individual or group courses, which we can run at your offices or at one of the Sage training centre throughout the UK. Product training can benefit all Sage Taxation users - even the most experienced ones. To receive details of courses available, contact your Account Manager on 0845 111 11 11.

To view available courses, got to the Sage website at www.sage.co.uk/accountants and choose Training for Practice in the left hand menu.

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