



## How to calculate the trust's or estate's tax

Use this guide to work out the trust's or estate's tax and to check any calculation we send to you.

If you ask us to calculate the trust's or estate's tax, the completed paper Trust and Estate Tax Return must reach us by 31 October 2023.

If you complete a paper Trust and Estate Tax Return you must make sure that this reaches us by 31 October 2023. If your paper Trust and Estate Tax Return reaches us after this date, we'll charge you an automatic penalty of £100.

If we receive the paper Trust and Estate Tax Return after 31 October 2023 and you have not worked out the tax, we'll do it for you but we cannot guarantee to tell you what to pay by 31 January 2024.

So if you do not know what tax to pay, make an estimate and pay that by 31 January 2024. Remember, if you do not pay enough, you'll have to pay interest and possibly a late payment penalty.

You can file online even if we've sent you a paper Trust and Estate Tax Return. If you file online, you have until 31 January 2024 to file your tax return. You can use our Self Assessment Online service to file the tax return over the internet using third party commercial software. If you file online, your calculations are done for you and you'll receive an instant on-screen acknowledgement that we've received your tax return. Go to [www.gov.uk/how-to-send-self-assessment-online](https://www.gov.uk/how-to-send-self-assessment-online) for information about filing online.

If we receive your online tax return after 31 January 2024 then you'll be charged an automatic penalty of £100.

Whichever method you use to file your Trust and Estate Tax Return, by 31 January 2024 you must:

- pay the balance of any tax the trust or estate owes for 2022 to 2023
- pay the first payment on account for the 2023 to 2024 tax year, if appropriate

You must pay what you owe by this date to avoid interest and possibly a late payment penalty.

If you need help, then please ask us.

## Layout of the calculation

Here is a summary of the stages you'll see in the working sheet:

- Stage 1** is for all the income and deductions that you've included in your Trust and Estate Tax Return and sorts them into categories which will be taxed later on. All trustees and personal representatives should complete stage 1.
- Stage 2** is for personal representatives only.
- Stage 3** is for trustees who are taxable at the trust rate or the dividend trust rate. Certain types of income and deemed income are chargeable at the trust rate or the dividend trust rate whether or not the trustees are normally taxable at the basic or dividend ordinary rate. These types of income include accrued income charges, income from deeply discounted securities, gilt strips, offshore income gains, income from companies purchasing their own shares and gains on life insurance policies, life annuities and capital redemption policies. If, apart from these types of income, you're taxable at the basic or dividend ordinary rate only, you should complete stage 5. If you're the trustee of an unauthorised unit trust, which is generally taxable at the basic rate only, you should complete stage 4. These stages will charge the income listed above at the correct rates. Stage 3 is to be completed by the trustees who are chargeable at the trust rate or dividend trust rate, on any income other than that listed above.
- Stage 4** is for trustees of an unauthorised unit trust.
- Stage 5** is for other trustees not taxable at the trust rate or the dividend trust rate.
- Stage 6** brings in all the tax you've already deducted from income (so you'll need the Trust and Estate Tax Return and any supplementary pages again) and works out any non-payable tax credits.
- Stage 7** makes adjustments to the tax calculated in earlier sections and adds in Capital Gains Tax. The final box of stage 7, box T7.43 gives the figure for box 17.1 in the Trust and Estate Tax Return.
- Stage 8** works out what you have to pay us by 31 January 2024, or what we have to pay you, and checks if you'll have to make 2023 to 2024 payments on account.
- Stage 9** is for trustees who make discretionary payments to beneficiaries.

**Stage 1** All trustees and personal representatives should complete this stage, filling in the boxes with information from the Trust and Estate Tax Return and the supplementary pages

If any box on this page is negative, substitute zero ('0')

| Total income                      | Non-savings and savings income  | Dividend, securities and redeemable shares income         | Gains on life policies (with tax treated as paid) |
|-----------------------------------|---|---|---|
| Trades, professions, or vocations | (total all instances boxes 1.92) + 1L.91<br>T1.1<br>£   |   |   |
| Partnership                       | total all instances box 2.22<br>T1.2<br>£   |   |   |
| UK property                       | (total all instances boxes 3.15) + 3.42<br>T1.3<br>£  |   |   |
| Foreign income                    | total boxes 4.1 + 4.2C + 4.4 + 4.5 + 4.6<br>T1.4<br>£   | from box 4.2<br>T1.5<br>£                                 | from box 4.8<br>T1.6<br>£                         |
| Other income                      | total boxes 9.1 + 9.4 + 9.5 + 9.6 + 9.9 + 9.19 + 9.24<br>T1.7<br>£                                    | total boxes 9.10 + 9.11 + 9.12 + 9.13 + 9.26<br>T1.8<br>£ | from box 9.16<br>T1.9<br>£                        |
|                                   | total boxes 9.14 + (if a gain) box 9.23<br>T1.10<br>£   |   |   |
| <b>Total income</b>               | Total of column above<br>T1.11<br>£   | Total of column above<br>T1.12<br>£                       | Total of column above<br>T1.13<br>£               |
| <b>Total deductions</b>           |   |   |   |
| Interest on loans etc             | from boxes 10.1A + 10.4A<br>T1.14<br>£  |   |   |
| Losses                            | total boxes 1.85 + 1L.85 + 2.15 + 2.24 + 3.43 + 4.30A + 4.37A + 9.21 + (9.23 if a loss)<br>T1.15<br>£ |   |   |
| <b>Taxable income</b>             |   |   |   |
| Total deductions                  | T1.14 + T1.15<br>T1.16<br>£   | T1.16 minus T1.11<br>T1.18<br>£                           | T1.18 minus T1.12<br>T1.20<br>£                   |
| Taxable income                    | T1.11 minus T1.16<br>T1.17<br>£   | T1.12 minus T1.18<br>T1.19<br>£                           | T1.13 minus T1.20<br>T1.21<br>£                   |

Copy to T2.2  
Copy to T3.2  
Copy to T6.2  
to calculate the tax credits on dividends

Copy to T2.3  
Copy to T6.10  
to calculate the notional tax credits on deemed income

Personal representatives should now go to stage 2.

Trustees who are taxable at the trust rate or the dividend trust rate should now go to stage 3.

Trustees of Unauthorised Unit Trusts should now go to stage 4.

Other trustees, not taxable at the trust rate or the dividend trust rate, should now go to stage 5.

**Stage 2 This section should only be completed by personal representatives**

If any box on this page is negative, substitute zero ('0')

**Calculate taxable income**

|                |   |   |   |
|----------------|---|---|---|
|                | <b>Non-savings and savings</b>              | <b>Dividends and company own shares</b>     | <b>Life policy gains (with tax paid)</b>    |
|                | from T1.17                                  | from T1.19                                  | from T1.21                                  |
|                | <b>T2.1</b>                                 | <b>T2.2</b>                                 | <b>T2.3</b>                                 |
| Taxable income | £ <input style="width: 100%;" type="text"/> | £ <input style="width: 100%;" type="text"/> | £ <input style="width: 100%;" type="text"/> |

**Calculate Income Tax due**

|                       |   |   |
|-----------------------|---|---|
|                       | <b>T2.2 x 8.75%</b>                         | <b>T2.4</b>                                 |
|                       | Income taxable at 8.75%                     | £ <input style="width: 100%;" type="text"/> |
|                       | <b>T2.1 + T2.3</b>                          | <b>T2.5 x 20%</b>                           |
|                       | <b>T2.5</b>                                 | <b>T2.6</b>                                 |
| Income taxable at 20% | £ <input style="width: 100%;" type="text"/> | £ <input style="width: 100%;" type="text"/> |
|                       | <b>T2.4 + T2.6</b>                          | <b>T2.7</b>                                 |
|                       | Income Tax due                              | £ <input style="width: 100%;" type="text"/> |
|                       |   | Copy to T7.1                                |

If you're the personal representative of a deceased Lloyd's underwriter, please complete boxes T2.8 to T2.15 to calculate tax credits on Lloyd's income.

Calculate tax credits on UK dividends received through Lloyd's

|   |   |   |
|---|---|---|
|   | from 1L.14                                  | lower of T2.1 and T2.8                      |
|   | <b>T2.8</b>                                 | <b>T2.9</b>                                 |
| Total dividends and distributions plus tax credit | £ <input style="width: 100%;" type="text"/> | £ <input style="width: 100%;" type="text"/> |
|   |   | Copy to T6.4                                |

Calculate tax credits on foreign dividends received through Lloyd's

|  |   |   |
|--|---|---|
|  | box 1L.25                                   | T2.1 minus T2.9                             |
|  | <b>T2.10</b>                                | <b>T2.11</b>                                |
| Dividends from overseas sources that qualify for UK tax credit | £ <input style="width: 100%;" type="text"/> | £ <input style="width: 100%;" type="text"/> |
|  |   | lower of T2.10 and T2.11                    |
|  |   | <b>T2.12</b>                                |
|  |   | £ <input style="width: 100%;" type="text"/> |

Calculate notional tax on dividends received through Lloyd's

|  |   |   |
|--|---|---|
|  | from 1L.17                                  | T2.11 minus T2.12                           |
|  | <b>T2.13</b>                                | <b>T2.14</b>                                |
| Total stock dividends and distributions plus notional Income Tax | £ <input style="width: 100%;" type="text"/> | £ <input style="width: 100%;" type="text"/> |
|  |   | lower of T2.13 and T2.14                    |
|  |   | <b>T2.15</b>                                |
|  |   | £ <input style="width: 100%;" type="text"/> |
|  |   | Copy to T6.7                                |

Now go to stage 6 – ignore stages 3 to 5

**Stage 3** This section should be completed by trustees who are taxable at the trust rate or the dividend trust rate

If any box on this page is negative, substitute zero ('0')

|  | Non-savings and savings          | Dividends and company own shares |
|--|----------------------------------|----------------------------------|
| Taxable income   | T1.17 + T1.21<br>T3.1<br>£       | from T1.19<br>T3.2<br>£          |
| Income to beneficiary (non-discretionary) + Income for specific purposes charged at 10% basic rate | boxes 13.11 + 13.17<br>T3.3<br>£ | boxes 13.7 + 13.13<br>T3.4<br>£  |
| Items chargeable at trust rate   | T3.1 minus T3.3<br>T3.5<br>£     | T3.2 minus T3.4<br>T3.6<br>£     |

**Calculation of Trust Management Expenses (TMEs)**

If you're claiming TMEs complete boxes T3.7 to T3.19, otherwise enter zero in boxes T3.18 and T3.19 and continue from box T3.20.

|  |                             |   |
|--|-----------------------------|---|
| Total Trust Management Expenses  | from box 13.19<br>T3.7<br>£ |   |
| Income not liable to UK Income Tax   | from box 13.21<br>T3.8<br>£ |   |
| Total income   |                             | T3.8 + T1.11 + T1.12 + T1.13<br>T3.9<br>£   |
| Expenses applicable to income not liable to UK Income Tax (non-resident trusts only) |                             | If T3.9 > 0<br>T3.10 = T3.7 x T3.8/T3.9<br>else<br>T3.10 = 0 (zero)<br>T3.10<br>£ |
| Expenses applicable to income not liable at the trust rate                           |                             | from box 13.20<br>T3.11<br>£  |
| Trust Management Expenses allowable  |                             | T3.7 minus (T3.10 + T3.11)<br>T3.12<br>£  |

|  | Dividends etc                          | Non-savings etc                        |
|--|--|--|
| Notional maximum amount of net Trust Management Expenses which could be allowed against income | T3.6 x 91.25/100<br>T3.13<br>£         | T3.5 x 80/100<br>T3.14<br>£            |
|  | lower of T3.12 and T3.13<br>T3.15<br>£ | T3.12 minus T3.15<br>T3.16<br>£        |
| Grossed up Trust Management Expenses   | T3.15 x 100/91.25<br>T3.18<br>£        | lower of T3.14 and T3.16<br>T3.17<br>£ |
|  |  | T3.17 x 100/80<br>T3.19<br>£           |

## Determine taxable income chargeable at special trust rates

If any box on this page is negative, substitute zero ('0'), unless otherwise stated

|  | Non-savings etc   | Dividends etc   |
|--|---|---|
|  | T3.5 minus T3.19  | T3.6 minus T3.18  |
| Items chargeable at trust rate                       | <div style="border: 1px solid black; padding: 2px;"> <div style="text-align: right; font-weight: bold; font-size: small;">T3.20</div>                     £ <input style="width: 100px;" type="text"/> </div> | <div style="border: 1px solid black; padding: 2px;"> <div style="text-align: right; font-weight: bold; font-size: small;">T3.21</div>                     £ <input style="width: 100px;" type="text"/> </div> |
|  | from box 9A.1   | T3.22 minus T3.20   |
| Standard rate band                                   | <div style="border: 1px solid black; padding: 2px;"> <div style="text-align: right; font-weight: bold; font-size: small;">T3.22</div>                     £ <input style="width: 100px;" type="text"/> </div> | <div style="border: 1px solid black; padding: 2px;"> <div style="text-align: right; font-weight: bold; font-size: small;">T3.23</div>                     £ <input style="width: 100px;" type="text"/> </div> |
|  | T3.20 minus T3.22   | T3.21 minus T3.23   |
| Taxable income chargeable at special trust rates     | <div style="border: 1px solid black; padding: 2px;"> <div style="text-align: right; font-weight: bold; font-size: small;">T3.24</div>                     £ <input style="width: 100px;" type="text"/> </div> | <div style="border: 1px solid black; padding: 2px;"> <div style="text-align: right; font-weight: bold; font-size: small;">T3.25</div>                     £ <input style="width: 100px;" type="text"/> </div> |
|  | T3.1 minus T3.24  | T3.2 minus T3.25  |
| Taxable income not chargeable at special trust rates | <div style="border: 1px solid black; padding: 2px;"> <div style="text-align: right; font-weight: bold; font-size: small;">T3.26</div>                     £ <input style="width: 100px;" type="text"/> </div> | <div style="border: 1px solid black; padding: 2px;"> <div style="text-align: right; font-weight: bold; font-size: small;">T3.27</div>                     £ <input style="width: 100px;" type="text"/> </div> |
|  |   | T3.24 x 45%   |
|  | Income taxable at 45%   | <div style="border: 1px solid black; padding: 2px;"> <div style="text-align: right; font-weight: bold; font-size: small;">T3.28</div>                     £ <input style="width: 100px;" type="text"/> </div> |
|  |   | T3.25 x 39.35%  |
|  | Income taxable at 39.35%  | <div style="border: 1px solid black; padding: 2px;"> <div style="text-align: right; font-weight: bold; font-size: small;">T3.29</div>                     £ <input style="width: 100px;" type="text"/> </div> |
|  |   | T3.26 x 20%   |
|  | Income taxable at 20%   | <div style="border: 1px solid black; padding: 2px;"> <div style="text-align: right; font-weight: bold; font-size: small;">T3.30</div>                     £ <input style="width: 100px;" type="text"/> </div> |
|  |   | T3.27 x 8.75%   |
|  | Income taxable at 8.75%   | <div style="border: 1px solid black; padding: 2px;"> <div style="text-align: right; font-weight: bold; font-size: small;">T3.31</div>                     £ <input style="width: 100px;" type="text"/> </div> |
|  |   | T3.28 + T3.29 + T3.30 + T3.31   |
|  | Income Tax due  | <div style="border: 1px solid black; padding: 2px;"> <div style="text-align: right; font-weight: bold; font-size: small;">T3.32</div>                     £ <input style="width: 100px;" type="text"/> </div> |
|  |   | Copy to T7.1  |

Now go to stage 6 – ignore stages 4 and 5

**Stage 4** This section should be completed by trustees of unauthorised unit trusts

If any box on this page is negative, substitute zero ('0')

|  |   |  |   |
|--|---|--|---|
|  | <b>T1.17 + T1.21</b>  |  | <b>T4.1 x 20%</b>   |
|  | <b>T4.1</b>   |  | <b>T4.2</b>   |
| Taxable non-savings and savings income | £ <input style="width: 100%;" type="text"/>                 |  | £ <input style="width: 100%;" type="text"/>                 |
|  | <b>boxes 4.2 + 9.10 + 9.11 + 9.12<br/>+ 9.13 + 9.26</b>     |  |   |
| Dividend type income                   | <b>T4.3</b><br>£ <input style="width: 100%;" type="text"/>  |  |   |
|  | <b>from T1.18</b>   |  |   |
|  | <b>T4.4</b><br>£ <input style="width: 100%;" type="text"/>  |  |   |
|  | <b>T4.3 minus T4.4</b>                                      |  |   |
| Taxable dividend type income           | <b>T4.5</b><br>£ <input style="width: 100%;" type="text"/>  |  |   |
|  | <b>from box 9A.1</b>  |  |   |
| Standard rate band                     | <b>T4.6</b><br>£ <input style="width: 100%;" type="text"/>  |  |   |
|  | <b>lower of T4.5 and T4.6</b>                               |  |   |
|  | <b>T4.7</b><br>£ <input style="width: 100%;" type="text"/>  |  |   |
|  | <b>from box 9.26</b>  |  |   |
|  | <b>T4.8</b><br>£ <input style="width: 100%;" type="text"/>  |  |   |
|  | <b>lower of T4.7 and T4.8</b>                               |  |   |
|  | <b>T4.9</b><br>£ <input style="width: 100%;" type="text"/>  |  | <b>T4.9 x 8.75%</b>   |
|  | <b>T4.5 minus T4.9</b>                                      |  | <b>T4.10</b><br>£ <input style="width: 100%;" type="text"/> |
|  | <b>T4.11</b><br>£ <input style="width: 100%;" type="text"/> |  | <b>T4.11 x 20%</b>  |
|  | <b>T4.12</b><br>£ <input style="width: 100%;" type="text"/> |  | <b>T4.12</b><br>£ <input style="width: 100%;" type="text"/> |
|  | <b>T4.2 + T4.10 + T4.12</b>                                 |  | <b>T4.13</b>  |
|  | <b>T4.13</b>  |  | <b>T4.13</b>  |
| Income Tax due                         | £ <input style="width: 100%;" type="text"/>                 |  | £ <input style="width: 100%;" type="text"/>                 |
|  |   |  | Copy to T7.1  |

Now go to stage 6 - ignore stage 5

**Stage 5** This section should be completed by trustees who are not taxable at the trust rate or the dividend trust rate

If any box on this page is negative, substitute zero ('0')

|  |                      |  |              |   |
|--|----------------------|--|--------------|---|
|  | <b>T1.17 + T1.21</b> |  | <b>T5.1</b>  |   |
| Taxable non-savings and savings income | £                    |  |              |   |
| lower of box 3.22 and box 3.42         |                      |  | <b>T5.2</b>  |   |
| £                                      |                      |  |              |   |
| boxes 4.6 + 4.8 + 9.16 + 9.24 + T1.10  |                      |  | <b>T5.3</b>  |   |
| £                                      |                      |  |              |   |
| T5.2 + T5.3                            |                      |  | <b>T5.4</b>  |   |
| £                                      |                      |  |              |   |
|  |                      |  |              | <b>lower of T5.1 and T5.4</b>                       |
|  |                      |  |              | <b>T5.5</b>   |
|  |                      |  |              | <b>T5.1 minus T5.5</b>                              |
| Income taxable at 20%                  | £                    |  | <b>T5.6</b>  | <b>T5.6 x 20%</b>                                   |
|  |                      |  |              | <b>T5.7</b>   |
|  |                      |  |              | <b>T5.9 x 20%</b>                                   |
| from box 9A.1                          |                      |  | <b>T5.8</b>  | <b>T5.10</b>  |
| Standard rate band                     | £                    |  |              | <b>T5.11 x 45%</b>                                  |
|  |                      |  |              | <b>T5.12</b>  |
|  |                      |  |              | <b>from T1.19</b>                                   |
|  |                      |  |              | <b>T5.13</b>  |
| Taxable dividend type income           | £                    |  |              | <b>lower of T5.13 and T5.14</b>                     |
|  |                      |  |              | <b>T5.15</b>  |
| from box 9.26                          |                      |  | <b>T5.14</b> | <b>T5.13 minus T5.15</b>                            |
| £                                      |                      |  |              | <b>T5.16</b>  |
|  |                      |  |              | <b>T5.16 x 8.75%</b>                                |
|  |                      |  |              | <b>T5.17</b>  |
|  |                      |  |              | <b>T5.8 minus T5.9</b>                              |
|  |                      |  | <b>T5.18</b> | <b>lower of T5.14 and T5.18</b>                     |
| £                                      |                      |  |              | <b>T5.19</b>  |
|  |                      |  |              | <b>T5.19 x 8.75%</b>                                |
| Income in standard rate band           | £                    |  |              | <b>T5.20</b>  |
|  |                      |  |              | <b>T5.15 minus T5.19</b>                            |
|  |                      |  | <b>T5.21</b> | <b>T5.21 x 39.35%</b>                               |
|  |                      |  |              | <b>T5.22</b>  |
|  |                      |  |              | <b>T5.7 + T5.10 + T5.12 + T5.17 + T5.20 + T5.22</b> |
|  |                      |  |              | <b>T5.23</b>  |
|  |                      |  |              | <b>Income Tax due</b>                               |
|  | £                    |  |              |   |

Copy to T7.1

Now go to stage 6



## Stage 6 Calculate tax paid and tax credits

All trustees and personal representatives complete this section.

### Calculate non-payable tax credits

If any box on this page is negative, substitute zero ('0')

|                                      |   |                                       |                         |  |
|--------------------------------------|---|---------------------------------------|-------------------------|--|
| <b>Tax credits on UK dividends</b>   |   |                                       |                         |  |
|                                      |   | from box 9.10 + 9.11<br>+ 9.13 + 9.26 |                         |  |
| Dividends                            | £ | <b>T6.1</b>                           |                         |  |
|                                      |   | from box T1.19                        | lower of T6.1 and T6.2  |  |
| Taxable dividend income              | £ | <b>T6.2</b>                           | <b>T6.3</b>             |  |
|                                      |   |                                       | from T2.9               |  |
|                                      |   |                                       | <b>T6.4</b>             |  |
|                                      |   |                                       | <b>T6.3 + T6.4</b>      |  |
|                                      |   |                                       | <b>T6.5</b>             |  |
|                                      |   |                                       |                         | If box 6.2 = N<br>T6.6 = 0 (zero)<br>else<br>T6.6 = T6.5 x 8.75% |
|                                      |   |                                       |                         | <b>T6.6</b>  |
|                                      |   |                                       |                         | Copy to T7.16  |
| <b>Notional tax on dividends</b>     |   |                                       |                         |  |
|                                      |   |                                       | from T2.15              |  |
|                                      |   |                                       | <b>T6.7</b>             |  |
|                                      |   |                                       |                         | T6.7 x 8.75%   |
|                                      |   |                                       |                         | <b>T6.8</b>  |
|                                      |   |                                       |                         | £  |
| <b>Notional tax on life gains</b>    |   |                                       |                         |  |
|                                      |   | boxes 4.8 + 9.16                      |                         |  |
| Gains on life insurance policies etc | £ | <b>T6.9</b>                           |                         |  |
|                                      |   | from T1.21                            | lower of T6.9 and T6.10 |  |
|                                      |   | <b>T6.10</b>                          | <b>T6.11</b>            |  |
|                                      |   |                                       |                         | T6.11 x 20%  |
| Taxable gains income                 | £ |                                       |                         | <b>T6.12</b>   |
|                                      |   |                                       |                         | Copy T6.8 + T6.12 to T7.10                                       |

### Add together tax paid

|   |   |  |               |
|---|---|--|---------------|
|   |   | boxes 1.97 + 1.98                      |               |
| Self Employment<br>from question 1      | £ | <b>T6.13</b>                           |               |
|   |   | boxes 1L.8 + 1L.53                     |               |
| Lloyds<br>from question 1L              | £ | <b>T6.14</b>                           |               |
|   |   | from box 3.21                          |               |
| Income from property<br>from question 3 | £ | <b>T6.15</b>                           |               |
|   |   | boxes 4.1A + 4.2A + 4.2B + 4.3 + 4.10A |               |
| Foreign<br>from question 4              | £ | <b>T6.16</b>                           |               |
|   |   | boxes 9.3 + 9.8 + 9.18                 |               |
| Savings interest<br>from question 9     | £ | <b>T6.17</b>                           |               |
|   |   | T6.13 + T6.14 + T6.15 + T6.16 + T6.17  |               |
| Total tax paid                          | £ | <b>T6.18</b>                           |               |
|   |   |  | Copy to T7.26 |

## Stage 7 Work out Income Tax and Capital Gains Tax due for 2022 to 2023

All trustees and personal representatives complete this section.

If any box on this page is negative, substitute zero ('0') unless otherwise stated

from T2.7 + T3.32 + T4.13 + T5.23

### Income Tax due

#### Calculate relief for finance costs

Finance costs

from 3.46 + 3.47  
T7.2  
£

Adjusted profit

from 3.42  
T7.3  
£

lower of T7.2 and T7.3

T7.4  
£

Finance costs

from 4.4A + 4.4B  
T7.5  
£

Adjusted profit

from 4.4  
T7.6  
£

lower of T7.5 and T7.6

T7.7  
£

Relievable amount

T7.4 + T7.7  
T7.8  
£

Relief for finance costs

T7.8 x 20%  
T7.9  
£

Notional tax

T6.8 + T6.12  
T7.10  
£

Foreign Tax Credit Relief

from box 4.9  
T7.11  
£

T7.9 + T7.10 + T7.11

T7.12  
£

T7.1 minus T7.12

T7.13  
£

Patent Royalties, recoverable tax on charges and annual payments made out of capital

10.3A + 10.6A + 11.2  
T7.14  
£

T7.13 + T7.14

T7.15  
£

Dividends from UK companies

from T6.6

T7.16  
£

T7.15 minus T7.16

T7.17  
£

|  |  |   |  |
|--|--|---|--|
| Pension payment charges  |  | from box 17.10<br>T7.18<br>£ <input type="text"/> | T7.17 + T7.18<br>T7.19<br>£ <input type="text"/>   |
| Vulnerable beneficiary relief  |  | from box 10.1B<br>T7.20<br>£ <input type="text"/> | T7.19 minus T7.20<br>T7.21<br>£ <input type="text"/>                                     |
| Tax pool adjustment  |  | from T9.29<br>T7.22<br>£ <input type="text"/>     | T7.21 + T7.22<br>T7.23<br>£ <input type="text"/>   |
| Employee Benefit Relief  |  | from box 10.1C<br>T7.24<br>£ <input type="text"/> | T7.23 minus T7.24<br>T7.25<br>£ <input type="text"/><br><i>This box can be negative</i>  |
| Coronavirus Job Retention Scheme (CJRS) grant and Job Retention Bonus (JRB) incorrectly claimed charge | from box 21.6B<br>T7.25A<br>£ <input type="text"/> | T7.25A x 100%<br>T7.25B<br>£ <input type="text"/> | T7.25 + T7.25B<br>T7.25C<br>£ <input type="text"/><br><i>This box can be negative</i>    |
| Tax paid   |  |   | from T6.18<br>T7.26<br>£ <input type="text"/>  |
| <b>Income Tax due</b>  |  |   | T7.25C minus T7.26<br>T7.27<br>£ <input type="text"/><br><i>This box can be negative</i> |

## Capital Gains Tax

If any box on this page is negative, substitute zero ('0') unless otherwise stated

Chargeable gains

Residential property

Non-resident Capital Gains

if box 5.36 is less than 0 (zero)  
 $T7.29A = 5.36$  (absolute value)  
 else  $T7.29A = 0$  (zero)

Loss £

if box 5.36 is greater than 0 (zero)  
 $T7.30 = 5.36$  minus  $(T7.29B + T7.29C)$   
 else  $T7.30 = 0$  (zero)

£

if box 5.36 is greater than 0 (zero)  
 $T7.31A = (T7.29B + T7.29C)$  minus 5.36  
 else  $T7.31A = T7.29A + T7.29B + T7.29C$

Unused loss £

if box 5.36A is less than 0 (zero)  
 $T7.29B = 5.36A$  (absolute value)  
 else  $T7.29B = 0$  (zero)

Loss £

if box 5.36A is greater than 0 (zero)  
 $T7.31B = 5.36A$  minus  $T7.31A$   
 else  $T7.31B = 0$  (zero)

£

if box 5.36A is greater than 0 (zero)  
 $T7.31C = T7.31A$  minus 5.36A  
 else  $T7.31C = T7.31A$

Unused loss £

if box 5.36B is less than 0 (zero)  
 $T7.29C = 5.36B$  (absolute value)  
 else  $T7.29C = 0$  (zero)

Loss £

if box 5.36B is greater than 0 (zero)  
 $T7.31D = 5.36B$  minus  $T7.31C$   
 else  $T7.31D = 0$  (zero)

£

Other property, assets and gains

Other gains

Gains that qualify for Business Asset Disposal Relief and/or Investors' Relief

Total Taxable Gains

from box 5.8  
**T7.28**

$T7.28 \times 28\%$   
**T7.29**

£

£

**T7.30**

$T7.30 \times 28\%$   
**T7.31**

£

£

**T7.31A**

**T7.31B**

**T7.31C**

**T7.31D**

$T7.31B + T7.31D$   
**T7.31E**

$T7.31E \times 20\%$   
**T7.31F**

£

£

from box 5.16  
**T7.32**

$T7.32 \times 20\%$   
**T7.33**

£

£

$5.17 + 5.17A$   
**T7.34**

$T7.34 \times 10\%$   
**T7.35**

£

£

$T7.29 + T7.31 + T7.31F + T7.33 + T7.35$   
**T7.36**

£

£

**If any box on this page is negative, substitute zero ('0') unless otherwise stated**

Foreign Tax Credit Relief for foreign tax paid and Special Withholding Tax deducted on chargeable gains reported on the 'Trust and Estate Capital Gains' pages

from box 4.10

**T7.37**

£

from box 5.6

**T7.38**

£

from box 5.14

**T7.39**

£

boxes 5.8A + 5.37

**T7.40**

£

Vulnerable beneficiary election – amount of relief claimed

Vulnerable beneficiary election – amount of relief claimed

Tax on gains already paid

**Total Capital Gains Tax due**

**Capital Gains Tax overpaid**

**Income Tax due**

Minus Capital Gains Tax overpaid reducing Income Tax

Remaining amount of Capital Gains Tax overpaid

**Income Tax due**

**Income Tax due after Capital Gains Tax overpayment reduction**

**Income Tax and Capital Gains Tax due for 2022 to 2023**

Copy this figure to box 17.1 in the Trust and Estate Tax Return

T7.36 minus  
(T7.37 + T7.38 + T7.39)

**T7.39A**

£

T7.39A minus T7.40

**T7.40A**

£

T7.40 minus T7.39A

**T7.41**

£

T7.25C minus T7.26

**T7.41A**

£

lower of T7.41 and T7.41A

**T7.41B**

£

T7.41 minus T7.41A

**T7.42**

£

T7.27 + T7.40A

**T7.42A**

£

This box can be negative

T7.27 minus T7.41B

**T7.42B**

£

This box can be negative

T7.40A + T7.42B

**T7.43**

£

This box can be negative

## Stage 8 All trustees and personal representatives complete this section

**Box T8.2** Enter in box T8.2 the amount of any repayment of 2022 to 2023 tax in box 21.6 in the Trust and Estate Tax Return. Do not include any repayments from trading losses carried back to an earlier year.

**Box T8.3** An adjustment may be required to increase the tax for 2022 to 2023 because you claim:

- farmers' averaging
- averaging of literary or artistic income
- to pay tax on post-cessation receipts by reference to the year the business ceased

Calculate the difference between the actual liability for the earlier year, and the liability that would have arisen for the earlier year if the averaged profit or post-cessation receipt had been included in the Trust and Estate Tax Return for that year. Work out the increase in tax by reference to the tax rate and circumstances for the earlier year. Include any entry in box 1L.79 of the 'Trust and Estate Lloyd's Underwriters' pages. Enter the amount in box T8.3. Copy this figure to box 17.2 in the Trust and Estate Tax Return.

The adjustment relates to 2022 to 2023, even though it's calculated by reference to the circumstances of the earlier year. If you need help, ask us or your tax adviser.

**Box T8.5** An adjustment may be required to decrease the tax for 2022 to 2023, calculated by reference to an earlier year, because you're claiming:

- loss relief calculated by reference to your income of an earlier year or years
- farmers' averaging

Do not include losses for which you have previously claimed relief. Calculate the difference between the actual liability for the earlier year, and the liability that would have arisen for the earlier year if the loss or averaged profits had been included in the Trust and Estate Tax Return for that year. Work out the decrease in tax by reference to the tax rate and circumstances for the earlier year. Enter it in box T8.5. Copy this figure to box 17.4 and tick box 17.3 in the Trust and Estate Tax Return.

The adjustment relates to 2022 to 2023 even though it's calculated by reference to the circumstances of the earlier year. If you need help, ask us or your tax adviser.

## Stage 8 Working out payments due by 31 January 2024

If any box on this page is negative, substitute zero ('0')

### Income Tax and Capital Gains Tax due for 2022 to 2023

from T7.43

T8.1

£

This box can be negative

from box 21.6

T8.2

£

2022 to 2023 tax already refunded

from box 17.2

T8.3

£

Any adjustment increasing the tax due, calculated by reference to earlier years (see Notes and on the Trust and Estate Tax Return)

Copy this figure to box 17.2 in the Trust and Estate Tax Return

T8.1 + T8.2 + T8.3

T8.4

£

This box can be negative

from box 17.4

T8.5

£

Any adjustment reducing the tax due, calculated by reference to earlier years (see Notes and on the Trust and Estate Tax Return)  
Tick box 17.3 and copy this figure to box 17.4 in the Trust and Estate Tax Return

from box 17.9

T8.6

£

Any 2023 to 2024 repayment (see Notes)

T8.5 + T8.6 + T8.7

T8.8

£

Payments already made (from your Statements of Account)

T8.7

£

### Tax payable for 2022 to 2023

If box T8.9 is positive, this is the tax you owe  
If box T8.9 is negative, this is the tax we owe you

T8.4 minus T8.8

T8.9

£

This box can be negative

### Calculation of payment on account for 2023 to 2024

from T7.27

T8.10

£

Income Tax bill for 2022 to 2023

If box T8.10 is less than £1,000, you do not need to make payments on account. Tick box 17.6 in the Trust and Estate Tax Return. Otherwise, leave box 17.6 blank and continue.

T7.10 + T7.24 + T7.26

T8.11

£

Tax deducted at source, notional tax, tax credits, etc

T8.10 + T8.11

T8.12

£

T8.12 x 20%

T8.13

£

If box T8.10 is less than T8.13, you do not need to make payments on account. Tick box 17.6 in the Trust and Estate Tax Return. Otherwise, leave box 17.6 blank and continue.

T8.10 x 50%

T8.14

£

The amount of each payment on account for 2023 to 2024

T8.9 + T8.14

T8.15

£

### Payment due by 31 January 2024

If box T8.15 is positive, this is the tax you owe  
If box T8.15 is negative, this is the tax we owe you

This box can be negative

**Stage 9 Calculation of tax pool for 2022 to 2023. This section should be completed by trustees who make discretionary payments to beneficiaries (see question 14 on the Trust and Estate Tax Return)**

When you make discretionary payments that are income in the hands of the beneficiaries, those payments carry a tax credit. The tax credits have to be matched as far as possible with the tax payable by you on the trust income or tax credits attached to the income you've received. If the tax credits attaching to the payments to beneficiaries exceed the total of tax credits and tax payments (the tax pool), you have to pay the difference to us.

Foreign Tax Credit Relief, non-payable tax credits on dividends and notional tax on life policy gains are not available for repayment and cannot be used to frank tax credits allowed to beneficiaries.

The calculation excludes from the tax pool the proportion of such foreign tax and notional tax credits which relates to income which is to be accumulated, or is payable, at the trustees' discretion. Any excess of the tax credits attaching to payments to beneficiaries over your available tax credits and tax payments (the tax pool) is carried back to stage 7 and added to the tax bill for 2022 to 2023. Any excess in the tax pool is carried forward to the tax pool for the tax year 2023 to 2024. Tax paid in a year when the trustees are non-resident does not enter the tax pool.

**If any box on this page is negative, substitute zero ('0')**

Amount of tax pool brought forward

from box 14.15  
T9.1  
£

Amount of tax pool applicable to income that is not settlor interested

from box 13A.1  
T9.2  
£

T9.1 + T9.2  
T9.3  
£

If you've completed box 8.12 ignore boxes T9.4 to T9.20 and continue from box T9.21. Otherwise, continue from box T9.4.

Trust rate tax charged on dividend type income

from T3.29  
T9.4  
£

Non-savings income etc in standard rate band

T3.20 minus T3.24  
T9.5

£

T9.5 x 20%  
T9.6  
£

Tax charged on income and deemed income at the trust rate

from T3.28  
T9.7  
£

Dividends covered by the standard rate band

lower of T3.21 and T3.23  
T9.8

£

T9.8 x 8.75%  
T9.9  
£

T9.1 + T9.4 + T9.6 + T9.7 + T9.9  
T9.10  
£

Non-repayable tax on dividend type income

from T6.8  
T9.11

£

Tax charged on dividend type income not charged at the dividend trust rate

from T3.31  
T9.12

£

T9.11 minus T9.12  
T9.13  
£

Non-repayable tax on deemed income

from T6.12  
T9.14

£

smaller of T3.22 and T6.11

T9.15

£

T9.15 x 20%  
T9.16

£

T9.14 minus T9.16  
T9.17  
£

Foreign Tax Credit Relief

from box 4.9A  
T9.18

£

T9.13 + T9.17 + T9.18  
T9.19  
£

**Total deduction of non-repayable tax etc**

£



|                               |  |   |
|-------------------------------|--|---|
|                               |  | <b>T9.10 minus T9.19</b>                  |
|                               |  | <b>T9.20</b>                              |
|                               |  | £ <input type="text"/>                    |
|                               |  | <b>higher of T9.1 and (T9.3 or T9.20)</b> |
|                               |  | <b>T9.21</b>                              |
|                               | Pool available   | £ <input type="text"/>                    |
|                               |  | <b>from box T7.9</b>                      |
|                               |  | <b>T9.22A</b>                             |
| Relief for finance costs      | £ <input type="text"/>   |   |
|                               |  | <b>from box 10.1B</b>                     |
|                               |  | <b>T9.22</b>                              |
| Vulnerable Beneficiary Relief | £ <input type="text"/>   |   |
|                               |  | <b>from box 10.1C</b>                     |
|                               |  | <b>T9.23</b>                              |
| Employee Benefit Relief       | £ <input type="text"/>   | <b>T9.22A + T9.22 + T9.23</b>             |
|                               |  | <b>T9.24</b>                              |
|                               |  | £ <input type="text"/>                    |
|                               |  | <b>T9.21 minus T9.24</b>                  |
|                               |  | <b>T9.25</b>                              |
|                               |  | £ <input type="text"/>                    |
|                               |  | <b>total of boxes 14.2 + 14.4 + 14.6</b>  |
|                               |  | <b>+ 14.8 + 14.10 + 14.12 + 14.14</b>     |
|                               |  | <b>T9.26</b>                              |
|                               | Tax on payments to beneficiaries   | £ <input type="text"/>                    |
|                               |  | <b>T9.26 multiplied by 45/55</b>          |
|                               |  | <b>T9.27</b>                              |
|                               |  | £ <input type="text"/>                    |
|                               |  | <b>T9.25 minus T9.27</b>                  |
|                               |  | <b>T9.28</b>                              |
|                               | Tax pool to carry forward to next year<br>(if negative amount, enter zero '0') | £ <input type="text"/>                    |
|                               |  | <b>T9.27 minus T9.25</b>                  |
|                               |  | <b>T9.29</b>                              |
|                               | <b>Additional tax due</b><br>(if negative amount, enter zero '0')              | £ <input type="text"/>                    |

Copy to T7.22

These notes are for guidance only and reflect the position at the time of writing. They do not affect the right of appeal.