Alphatax Ireland Release Notes
Autumn 2009

tax computer systems

Alphatax software may not be copied, photocopied, reproduced, translated, or reduced to any electronic medium or machine-readable form, in whole or in part, without the express written permission of:

Tax Computer Systems Limited
1 Hatch Place
Dublin 2

Tel: +353 (0) 1 661 9977
Fax: +353 (0) 1 661 0642

Email: support@taxcomputersystems.ie
Web: www.taxcomputersystems.ie

Autumn 2009
Copyright © 1991–2009 Tax Computer Systems Limited
All rights reserved
Alphatax is a trademark of Tax Computer Systems Limited.

Contents

Introduction 5
Installation 5
CT1 2009 (Version 2) 6
Finance Act (2009) 6
E-Filing 10
Other changes and bug fixes 11

Introduction

Welcome to the Alphatax Ireland Autumn 2009 edition. This release inlcudes:

- CT1 2009 (Version 2) and ROS XML 2009 (Version 2).
- FA 2009 changes
- Other miscellaneous changes and bug fixes

Installation

To update your existing version of Alphatax, simply insert the Alphatax Installation CD and press the enter key at the prompts. This will overwrite the old version of Alphatax. Enterprise users must also upgrade the Enterprise database as described on the following page.

Note. You may be prompted to enter the 16 digit Alphatax Installation Key. The Key is attached to the CD jewel box. Enter the key and then click ***Next****. Not all installations require an Alphatax Installation Key.*

Templates

The installation will reinstall the standard Alphatax templates to ensure that you have the latest version.

To allow you to retrieve your own versions of these templates, if applicable, the old templates are stored in a new folder called BACKUPMn (where n is a number incremented for each new installation). Note that this part of the process may take some time. A wait box is displayed enabling users to track progress during the process.

Folders called BACKUPLn created in the Summer 2009 release are removed with this release.

Enterprise only

For the Autumn 2009 release, there is no change to the Enterprise database and providing you are upgrading from the Alphatax Ireland Summer 2009 edition (v10), you will not need to update the Enterprise database.

If you are upgrading from an earlier version, you will need to update the database using the Alphatax Enterprise Manager before running Alphatax.

For further details refer to the Enterprise Manager Administrator Guide which is located in the Manuals folder on the installation CD.

CT1 2009 (Version 2)

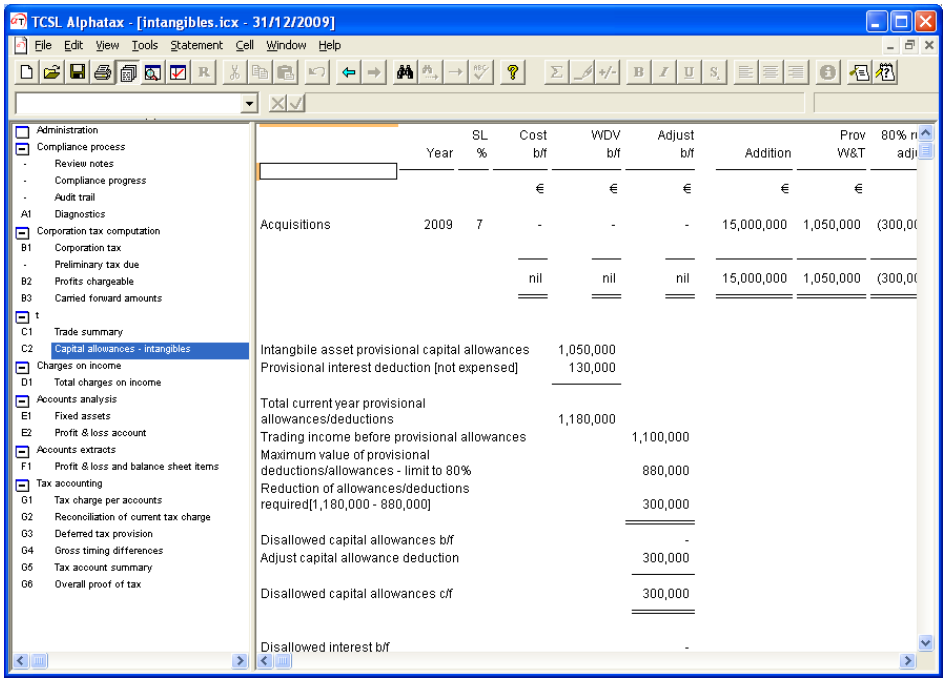
This release includes the CT1 2009 Version 2 return which incorporates the new intangible rules and the new 25% rate of Chargeable gains/ Capital gains tax.

Finance Act (2009)

Intangible assets

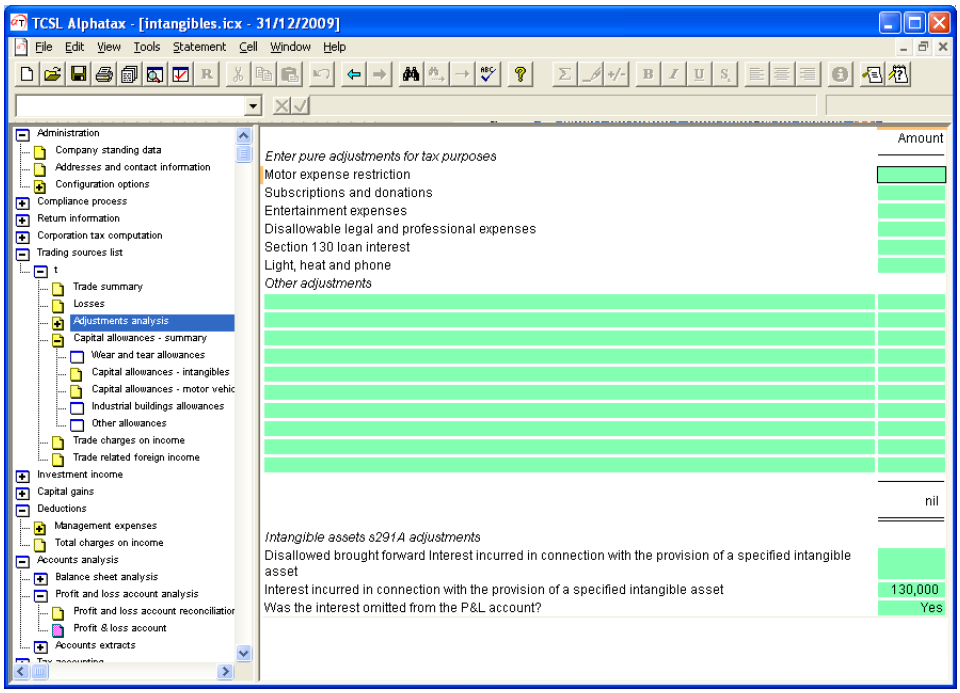
Capital allowances can be claimed on intangible assets acquired on or after 8 May 2009. Periods ending after that date will have a flag in the Trade summary Input statement asking whether the company has intangible assets. If the flag is marked **Yes**, a Capital allowances - intangibles Input statement is displayed.

This is to be completed in a similar way to a Wear and tear Input statement, although only one intangibles statement can be created per trade. The maximum capital allowances on intangible assets that can be claimed is 80% of the trade profits, excluding intangible capital allowances and any deduction taken for interest on borrowings to acquire intangible assets. Alphatax carries out this calculation automatically.



Interest on borrowings

The user must complete the Adjustment analysis Input statement by entering any interest incurred on borrowings to acquire intangible assets as this is needed to calculate whether the interest deduction needs to be restricted and it also affects the above restriction. The user should also clarify whether the P&L/ Income Input Statement took a deduction for the interest. The capital allowances on intangible assets are restricted first and any disallowed amounts are carried forward.



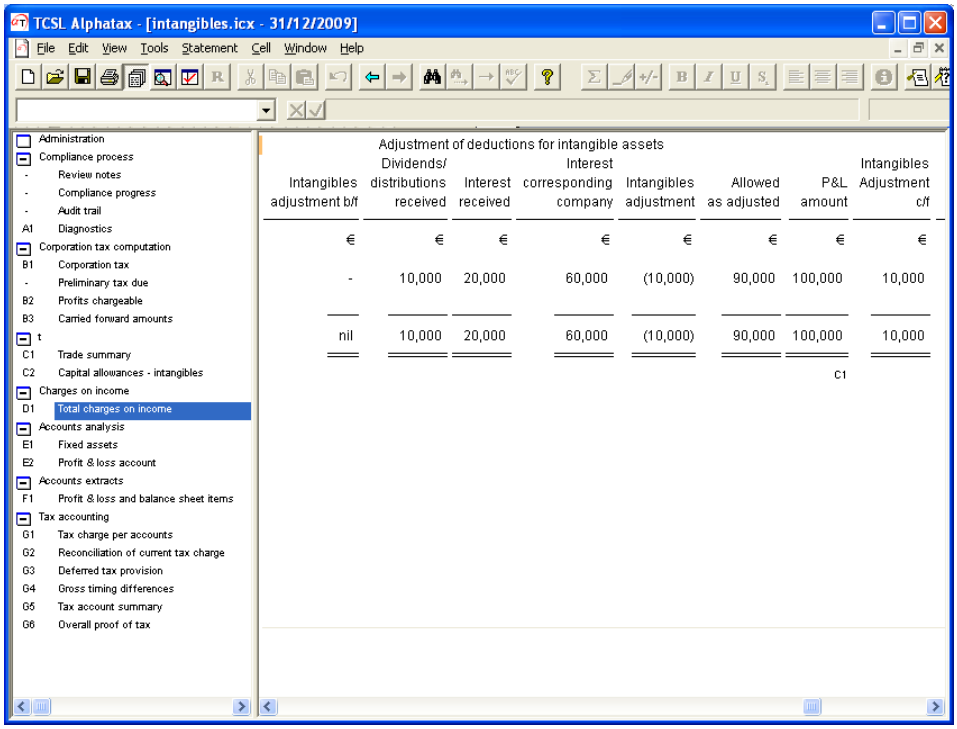
Interest as a charge

The Total charges on income and the Charges on income Input statements both have new entries in their Accessory statement to be completed when a company borrows money and loans it to another company to acquire intangible assets.

Money borrowed : Total charges on income

Unpaid brought forward	
Adjustment	
Non-business charges	100,000
Income tax	
Permanently disallowable	
P&L amount	100,000
Capital amount	
Transfer	
Unpaid carried forward	nil
Intangible assets s247(4B)	
Disallowed interest b/f	
Dividends/distributions received from other company	10,000
Interest received in respect of money lent	20,000
Relevant interest in corresponding company	60,000

This may result in a restriction of the amount which is deducted from the profits of the period. Any disallowed amount is carried forward to subsequent periods.



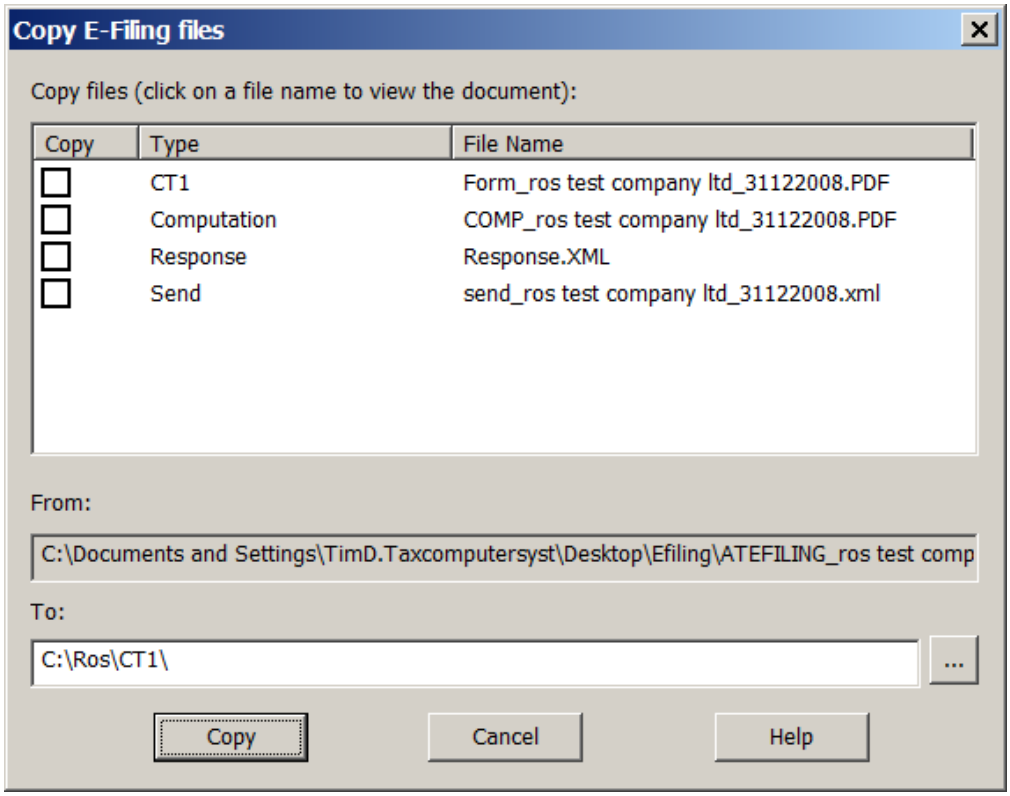
Capital gains tax rate

The capital gains tax rate increased from 22% to 25% from 08 April 2009 but delays in the publication by Revenue of Version 2 of the CT1 2009 and ROS e-filing schema meant that the CT1 return and ROS e-filing schema available with the Alphatax Ireland Summer 2009 Edition (Version 10.0) were not updated to reflect the new rate of CGT tax of 25%. Accordingly, a diagnostic was displayed when a disposal was made after 7 April 2009 (whether gain or loss) warning that the CT1 and ROS had not yet been updated for the new CGT rate of 25%.

The diagnostic is no longer displayed and the option to suppress the diagnostic has been removed from the Configuration options Input statement. In addition, warnings that appeared in the Capital disposals and Chargeable gains summary Report statements have been removed.

E-Filing

Alphatax now changes the name of Form.PDF and COMP.PDF to Form_Company Name_Year end.PDF and Comp_Company Name_Year end.PDF when the **Copy** button is selected from the E-Filing submission window..



Other changes and bug fixes

Customised CLE and PRG files

For users of customised Claims and elections (CLE) and Compliance progress (PRG) files, it is now possible to have multiple entries for the same ID, providing the entries are mutually exclusive by virtue of their start and end dates. This allows for changes to the deadlines of existing Claims and elections, for example, without losing any existing sign-off history.

For further information on setting up and editing customised Claims and elections and Compliance progress lists and for help with the above, please contact Technical Support who can send you updated documentation on customising these files.

Miscellaneous enhancement/bug fixes

- R&D inputs only showing for periods beginning on or after 1 January 2009 have been changed and these inputs are now displayed for any 2009 year ends.
- Problems with e-filing computations with negative tax liabilities have been resolved.
- The way in which the group relief claimed figure is calculated in the tax return for periods ending in 2009 has been amended where a company has multiple trades which are engaged in activities qualifying for manufacturing relief and the company is making a group relief claim under TCA 1997 s420A.
- The Consolidated trade summary Report statement now lists and totals addbacks and deductions separately.
- A new **List income and expenditure adjustments items on Trade summary report?** field on the Configuration options Input statement enables the Trade summary Report statement to list income and expense adjustments by name.
- Configuration options now contain separate sub statements for Manufacturing relief, Reports, Double taxation relief and Close company options.