Updated digital Professional Conduct in relation to Taxation

General Features

01 April 2019

Professional Conduct in Relation to Taxation (PCRT) sets out the professional standards that are expected of a member when undertaking tax work. PCRT is a pan-professional document published by seven leading accountancy and tax bodies. As such it represents an 'industry standard' about professional behaviour in tax matters. Members must therefore be familiar with, and comply with, PCRT when advising on UK tax matters. Failure to do so may expose a member to possible disciplinary action.

- PCRT has been updated with a new digital structure to make it easier to navigate. This edition is effective from 1 March 2019.
- PCRT now consists of the fundamental principles and the standards for tax planning.
- PCRT may be accessed on the Professional Standards pages of the CIOT and ATT websites.
- PCRT is supported by five supplementary help sheets (which replace Parts 3 and 4 of the 2017 edition of PCRT) as follows:
- PCRT Help sheet A: Submission of tax information and 'Tax filings'
- PCRT Help sheet B: Tax Advice
- PCRT Help sheet C: Dealing with errors
- PCRT Help sheet D: Request for data by HMRC
- PCRT Help sheet E: Members' Personal Tax Affairs

In this latest update, the fundamental principles and standards have not changed. However, the help sheets have been subject to review and a new criteria established for inclusion, namely that they should provide guidance that supports the fundamental principles and standards that underpin professional conduct, rather than providing general or specific commentary about developments in the tax

system that could best be addressed through other guidance outside PCRT.

As a result of this revised approach, a number of help sheets in the previous PCRT do not meet this criteria and have now been omitted from the latest PCRT. The remaining help sheets have been revised to make them more user friendly and the language modernised.

The help sheets represent guidance designed to help members apply the fundamental principles and standards in their tax work. While not mandatory, a member in a disciplinary case may be asked to explain why they did not follow the help sheet guidance. For example, a case might be brought against a member under the fundamental principle of Integrity. As part of the investigation by the disciplinary body, the member could be asked to explain why, as recommended in the ‘Dealing with errors’ help sheet, they had not advised their client to make good the tax underpayment that they had identified in the client’s tax affairs.

The professional bodies remain committed to improving the help sheets and ensuring that they support the fundamental principles and standards. The working group is currently reviewing the publication of some further help sheets that meet the revised criteria, and we anticipate that our new, more flexible, approach will enable any future help sheets to be published more quickly than in the past.