President's page, June 2019

Welcomes

01 June 2019

Continuity and change

It is a great honour to write my first welcome as President of the Chartered Institute of Taxation. I am acutely conscious that I follow a long list of distinguished tax practitioners and I have a great deal to live up to. The latest in that line was, of course, Ray McCann, and I would like to repeat my thanks to him for the exemplary way he carried out his duties.

I should, perhaps, introduce myself. After graduating and a short period with BP, I joined Arthur Andersen in the mid 1980s, and initially specialised in oil taxation. This soon broadened into working on the tax affairs of large multinational companies. I spent three years in the mid 1990s as a partner with Robson Rhodes, and Head of International Taxation. In 1998 I stepped across into Commerce and Industry, as Head of Tax for Williams PLC. I remained in Commerce in various roles, including three further Head of Tax positions, until September last year. Since then I have done a little ‘freelance’ training and publishing related work, but I will be focused on Institute matters for the next 12 months.

In the last decade, I have worked mainly in the Technology and Media sectors, with companies selling digital products and having balance sheets comprised mainly of intangibles. I have been involved with the Institute’s technical work for over 15 years, including being Chair of the International Taxes sub-committee and Chair of the Technical Committee. I have thus had a front row seat as the debate around the taxation of large corporations, and digital ones in particular, has raged.

I am not going to set out my views on how the taxation of the digital economy should develop here. I do have several engagements in my diary for Branch events where this will be covered. I hope to see a good number of you at these events. I am keen to visit as many branches as possible, not only to discuss digital taxation, but

also the many challenges tax practitioners face and what the CIOT is doing to help meet them. So, if you are a branch Chair, and I am not in your programme – I am still willing to come!

My AGM address covered both continuity and change. Presidents no longer have themes, but focus on the CIOT's mission to be the leading professional body in the UK for advisers dealing with all aspects of taxation. We carry on the work of our predecessors, and I will be carrying on work to improve the diversity of the Institute across all its activities, to develop our qualifications and to seek to influence government and HMRC in the creation and implementation of tax policy.

One area that has been developed significantly in recent years is our professional standards. The evolution of Professional Conduct in Relation to Taxation (PCRT) – to make it clear that members should not create, encourage or promote tax planning arrangements that either set out to achieve results that are contrary to the clear intention of Parliament or are highly artificial or contrived and seek to exploit shortcomings within tax legislation – was a necessary step on the road to restoring trust in the tax profession. As President of the CIOT I will not hesitate to remind members of their obligations in this area; the simple message to any members who seek to develop and promote such schemes is that this is not the body for you.

More importantly in many ways, PCRT now has the potential to be a strong positive message in the CTA brand. Our dialogue with HMRC now often focuses on the benefits to HMRC of HMRC working with agents who are subject to PCRT. When dealing with disputes, the greater the confidence in the other that both sides can have, the more likely it is that the disputes will be resolved to their mutual satisfaction and without recourse to litigation. This is of substantial value to our clients, and worth developing further with HMRC.

In terms of change we will be appointing a new CEO shortly. This is an important moment for any organisation. The mission of the CIOT does not change; but Council will work with the incoming CEO to set a strategy for the Institute taking into account the many external forces acting on the profession. Dialogue with members will be important in making sure this is done correctly – another reason I hope to meet as many of you as possible in the coming months.

I feel very fortunate to become President of the Institute at a point where it is very healthy in membership, finances and management, and it is benefiting from recent

investment in its systems and premises. I have excellent Deputy and Vice-Presidents to support me, and the wise counsel of the Past President to fall back on. I look forward to exciting times, and sharing them with you all.

Glyn Fullelove
CIOT President