President's page, July 2019

Welcomes

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Partnerships new and old

I am writing this as the contest for the leadership of the Conservative Party is starting in earnest. Already candidates are making bold promises. It is not for the CIOT to comment on the politics of such proposals, but where we can help the public better understand how these suggestions fit into the tax system as a whole, we will do so. For example, one candidate has made eye-catching proposals on income tax and National insurance thresholds – without mentioning that income tax thresholds are now a devolved matter, whilst those for NIC are not, so the impact on Scottish taxpayers could be very different to that on English ones. This is definitely something we could and should be highlighting.

In order for us to ensure we can reach the widest possible audience wherever we operate, it is very helpful to have close working relationships with other professional bodies. I am delighted to tell you that we have recently agreed a new partnership with the Institute of Chartered Accountants in Scotland (ICAS). I know a number of you reading this will have undertaken the joint programme to qualification we have with the Institute of Chartered Accountants in England and Wales (ICAEW), and have achieved both ACA and CTA qualifications through this route. This will now be replicated, allowing ICAS students to achieve CA and CTA status through a similar joint programme. As a consequence ICAS will no longer be running their own additional tax qualification programme, and qualifying ICAS (Tax Professionals) will be invited to apply for membership of CIOT. It is also anticipated that there will be closer working between the two bodies in policy matters and CPD offering. The ICAEW have been supportive through the discussions that have led to this outcome; and this has been an excellent example of three professional bodies, sharing high professional standards, working together to benefit their members and the general public.

In early June, I attended the meetings of CFE- Tax Advisers Europe (CFE) in Brussels. This body shares our commitment to improving knowledge about tax throughout Europe, and encouraging tax advisers to maintain appropriate standards on an international basis. CFE is 60 years old in 2019, and CIOT has been a member since 1973. I attended the CFE Forum which was focused on the resolution of international tax disputes, and the Fiscal committee. In the latter, much of the discussion concerned the taxation of the digital economy, and recent OECD proposals on this. These meetings were a timely reminder that, whatever form Brexit takes (assuming it eventually happens), we will still have many issues on which we will want to work together with our fellow European tax professionals. The CFE provides the perfect vehicle for this, and I trust we will still be saying that in another 60 years' time.

Our partnership with the Institute for Fiscal Studies remains one of the most important ways we encourage wider debate on tax matters. By the time you read this we will have held our latest joint debate, on the taxation of commercial property. Business rates have typically not been an integral part of the tax adviser's role, even if they have been one of the long list of items mentioned in the tax clauses many of us will have reviewed in commercial contracts. In a world where sales taxes on digital products are being advocated by some to level the playing field between traditional and on-line retailers, it is vital that policy makers and the public are provided with opportunities to understand how commercial property is taxed, how that affects business operations, and what alternatives might look like. Improving the quality of debate is central to our public interest goals as an educational charity, and is why our partnerships with the IFS and similar bodies are so important.

On the topic of events, on Tuesday 17 September, we will be holding an evening panel debate on the use of technology in tax work. Four leading figures from commerce and industry will be speaking about their own experiences in using technology in compliance and beyond. It promises to be a fascinating event; hold the date, more details will follow soon!

I hope that summer will have finally arrived as this edition of Tax Adviser hits your inbox and/or doorstep. Don't forget the sunscreen and I will be back next month!

Glyn Fullelove
President, CIOT