President's page, January 2020

Welcomes

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Welcomes to 2020!

Happy New Year! January will be a very busy month for many of you with the 31st January Self Assessment deadline; and many of my colleagues in the ‘in-house’ community will be hard at work preparing tax figures for 31st December year ends. Publication deadlines mean I am writing this before the General Election, and the result may be making us all even busier than usual!

The CIOT Council Strategy Day in November focused on three topics. The first was the impact of technology on how tax is practised and managed, and what this means for educating the tax professionals of the future. The second was increasing regulatory pressures, and our response; and the third was how the voice of the profession can be better heard in the right places.

I would like to thank my fellow Council Members for all their help and contributions to the discussions. The outputs of the day are being analysed by the senior management team and, together with an assessment of how we can best advance our values in an international context, will form the basis of a Strategy Document to be presented to Council in March.

During an election campaign, contact with HMRC on most matters with a policy dimension is suspended or very limited. Coming on top of many initiatives being delayed due to Brexit preparations, this is somewhat frustrating and it feels that progress on many issues of concern to members, such as the conduct of tax enquiries, is very slow.

I am also concerned that in some specific cases, good tax administration is being compromised. Whatever your view on the ‘Loan Charge’, the uncertainty caused by the delay in publishing Sir Amyas Morse’s review and the somewhat confusing position it leaves both taxpayers and HMRC in regarding the forthcoming January

deadlines is unsatisfactory. Hopefully, by the time you read this, things may be clearer.

No such restrictions apply on the international front, though. The OECD published its 'Pillar Two' recommendations for the reform of the international corporate tax system. Both the earlier 'Pillar One' proposals and these new recommendations have also been the subject of public consultations to which the CIOT have contributed.

As I have noted before, taken together these proposals do represent a significant change in how multinationals will be taxed, and should ensure multinationals do pay tax on all of their profits. However, as the CIOT responses state, this is unlikely to be the end of the story. Debates about exactly who actually bears corporate income taxes and the base on which they should be levied are likely to continue.

We have also continued working with other partners. Our latest joint debate with the IFS on digital services taxes was very well attended, and in December we held a workshop with think-tank CoVi aimed at developing educational toolkits that can be used in schools, universities and civil society groups to explore the tax system.

Whilst, understandably, I have no branch visits in January, the diary for February and March shows many more opportunities for me to meet members – although it's not too late to fit some more in before May! During November, I visited the flourishing Northern Ireland branch and attended the Annual Dinner of ICAS (The Institute of Chartered accountants of Scotland) in Glasgow. Our relationship with ICAS has been strengthened by our Joint Programme agreed earlier this year and we have welcomed a number of new members as a result.

Our Finance and Operations Director, Paul Davies, retired in December. I would like to thank Paul for his significant contribution to the Institute. He was closely involved with the move to Monck Street and the modernisation of our IT systems; a necessary if sometimes thankless task! I would also like to welcome Karl Cerski to the CIOT as our new Chief Financial Officer.

I hope your busy season goes well, and best wishes for 2020.

Glyn Fullelove
President, CIOT