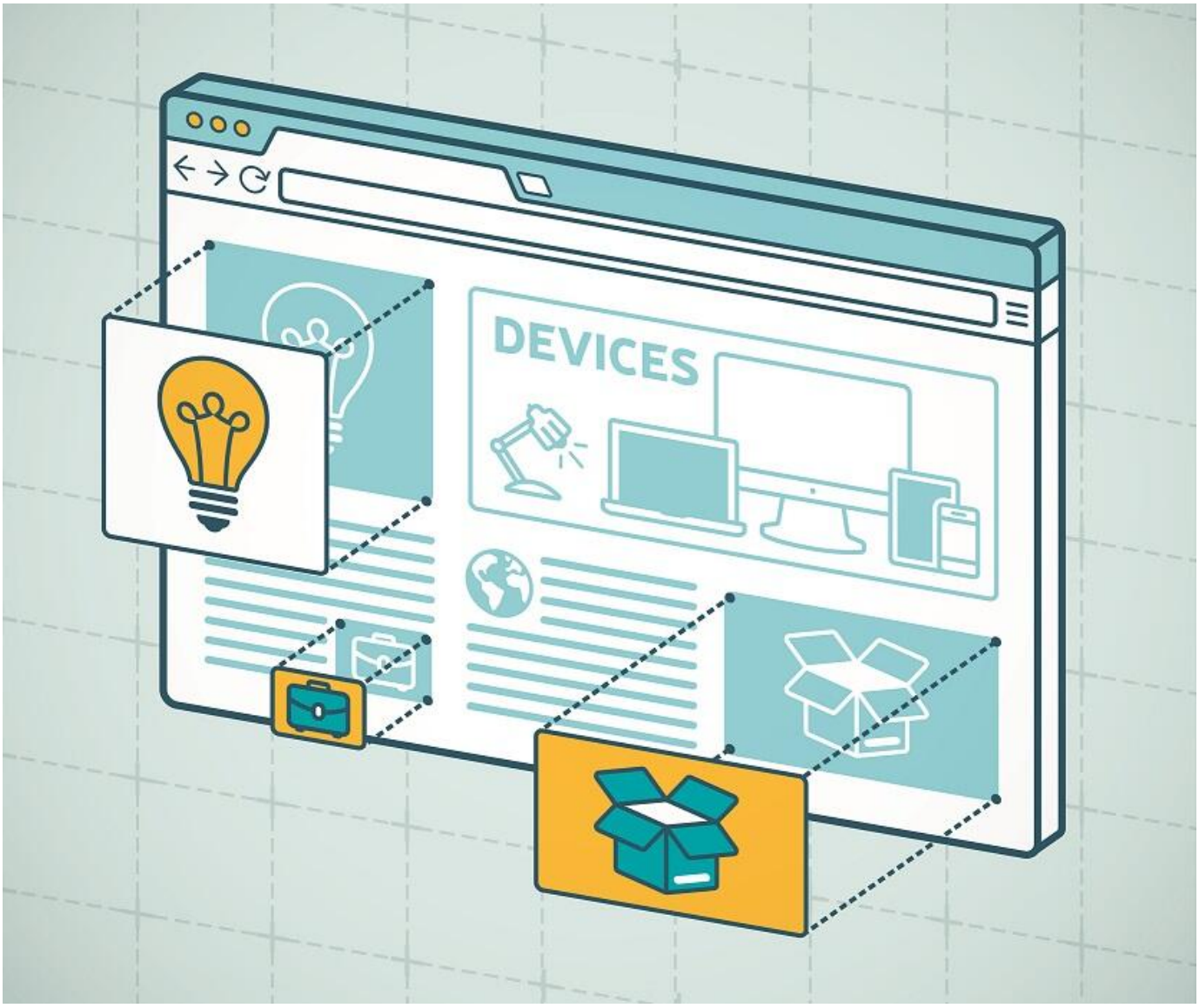
Website standards

Professional standards



01 September 2017

Jane Mellor provides guidance on how members can bring their websites in line with the PCRT and PRPG rules

Key Points

What is the issue?

The Professional Standards team see a wide variety of member websites in the course of their work. Using that experience they are working on some guidance on good practice for websites.

What does it mean to me?

This article provides some points which members may find helpful when they come to review their own websites.

What can I take away?

Professional standards apply to websites just as much as they do to tax compliance and tax planning work.

The Joint Professional Standard Committee is currently working on guidance for members to help them with the way they present themselves in their websites in light of the latest version of the Professional Conduct in Relation to Taxation (PCRT). The committee is keen to receive feedback from members of any areas that they are unsure of since the new standards of tax planning were introduced. Any examples of wording would be very appreciated. This article highlights the application of the PCRT and Professional Rules and Practice Guidelines (PRPG).

As tax practitioners know only too well, the tax world rarely stands still – and there are always new technical issues to keep abreast of and changes in HMRC practice to deal with. The Professional Standards team aims to keep up with the challenges faced by members and provide relevant up-to-date guidance.

One work in progress relates to member websites. This is an area recently identified by the joint Professional Standards Committee as one where members may find it helpful to have some guidance on some of the practical and professional standards issues which need to be considered.

What professional standards apply?

All members are required to meet the fundamental principles set out in Professional Rules and PRPG and in PCRT. These are: Integrity; Objectivity; Professional competence and Due care; Confidentiality and Professional behaviour. They are also required to meet the five standards for tax planning set out in PCRT effective from 1 March 2017: Client specific; Lawful; Disclosure and transparency; Tax planning arrangements and Professional judgement and appropriate documentation.

Tax advisers need to bear all of these standards in mind not only in relation to the work they undertake on a day to day basis but also when holding themselves out to the public through their websites and promotional literature.

PRPG gives specific guidance on advertisements and promotional material as follows:

‘Advertisements and promotional material or activity prepared or produced by members or firms should not (either in content or presentation):

1. reflect adversely on the CIOT/ATT, the member or firm, other members or the tax profession;
2. discredit the services offered by others, for example, by claiming superiority for the member or firm;
3. be misleading, either directly or by implication;
4. fail to comply with any regulatory or legislative requirements, such as the standards and requirements of the Advertising Standards Authority’s code, notably as to legality, decency, clarity, honesty and truthfulness;
5. breach client confidentiality; or
6. amount to harassment’

Leading on from the PRPG guidance this article covers some points arising out of the Professional Standards team’s experience when looking at member’s website.

What is appropriate wording on regulation by the CIOT or ATT?

Members of the CIOT may describe themselves as a Chartered Tax Adviser (CTA) as can a firm where all principals are CTAs. Members of the ATT may describe themselves as Taxation Technicians. Care does need to be taken where, for example, not all of the principals in the firm are CTAs. It is not permissible to refer to

the firm as Chartered Tax Advisers unless the firm has applied to the CIOT to do so (see http://tinyurl.com/yb8d56d7) and that application has been accepted.

If members wish to reproduce the CIOT or ATT badge on a website they need to apply for permission to do so.

Historically, certain ATT members could describe themselves as ATT Members in Practice. This designation was withdrawn a number of years ago and should no longer be used.

Firms sometimes indicate on their websites that they are regulated by the CIOT or ATT. As the CIOT and ATT do not issue practising certificates this can be seen as misleading and should not be used. However where firms are supervised for anti-money laundering by the CIOT or ATT they can include the following phrase on their website and promotional literature 'Supervised by the [CIOT/ATT] for the purposes of Anti-Money Laundering legislation'.

In addition to meeting CIOT and ATT regulations care should also be taken to meet the requirements of any other professional bodies a member may belong to.

Should a website include technical information?

It may be obvious but the key point here is that any technical information should be kept up to date. It is not uncommon to find fact sheets covering tax rates and allowances which are several years out of date and on occasion tax planning points which have been overtaken by later legislation.

If it will be difficult to keep technical sections up to date it is better not to include such information at all and lots of excellent member websites have no technical information on them.

In addition, members should consider the legal exposure that comes with the inclusion of technical planning points. Disclaimers on websites and promotional material are not always guaranteed to be effective.

Care should also be taken because of the danger of slipping into promoting generic tax planning in a way which conflicts with PCRT given that the material is meant to be promotional and therefore cannot be client specific. More on tax planning considerations is included below.

What other points should be considered and what should be avoided to promote the firm's reputation and attract clients?

The layout and content of a website should be considered in order to give the professional image being aimed for. For example:

- Does the website state clearly what services are being offered? Where relevant highlight the firm's expertise in tax and any particular areas of specialism.
- What information is included about the principals? What information should be provided to promote the skills and expertise that the firm has? Include professional qualifications and past work experience where relevant.
- Consider your target market and tailor your website information accordingly. Do you want to keep it strictly business or do you want to give it a more informal feel, for example, with some personal information about the staff's outside work interests?
- Are contact details up to date and easily accessible?

Care should be taken to avoid:

- Spelling mistakes and typos. It is always worth getting someone to proofread a website. Inaccuracies in the site can give an unprofessional impression and may lead clients to imply due care and attention would not be paid to their affairs.
- The inclusion of articles, information or personal opinions which members of the public may find inappropriate or unprofessional and could give rise to a complaint to the CIOT or ATT.
- Making exaggerated claims to, for example, have specialist tax expertise in a particular area (having only dealt with one instance) or international connections (having spoken once to a tax adviser in Hong Kong).
- Including details of staff who no longer work for the firm.

What is acceptable to include on the website in relation to tax planning?

Carefully considered and technically sound tax planning which has been fully explained to the client (including the risks and downsides as well as the benefits) can result in tax savings for clients. However members must not promote tax planning, whether on their website, other promotional material or in person, which conflicts with the tax planning standards in PCRT.

For example, advertising a ‘one size fits all’ tax planning product would not be acceptable as advice must be tailored to a client’s particular circumstances.

Take care not to exaggerate the potential tax savings and make sure the promotional material includes sufficient warning about any potential risks, for example, challenge by HMRC.

Consider carefully the type of client who might be attracted by wording used on the website. Are they the clients a firm is eager to acquire? Choose the wording wisely. The use of the term ‘tax avoidance’ in relation to a member’s tax planning is not acceptable and members should not use it. Members sometimes refer to their planning as tax mitigation and this is acceptable as it suggests an appropriate use of allowances and permitted tax claims to reduce a client’s tax bill where possible. On the other hand the phrase ‘tax minimisation’ can be misleading as it is not always possible to reduce or minimise a client’s tax bills.

Conclusion

In summary the same level of care and attention should be applied to websites as it is to the preparation of a tax return or tax advice letter. The reputation of a firm can be enhanced or damaged depending on what is included on it which in turn has implications in terms of the types of clients a firm attracts. Maintaining high professional standards in this area is key and further guidance will be issued by the team over the coming months.