Presidents page, September 2017

Welcomes

01 September 2017

Keeping our exams up to date

Hello again. The Institute's exams are fundamental to our role as the leading professional body dealing solely with taxation. They are intended to be challenging and all members deserve to feel proud of our accomplishment in passing them.

At the same time, the demands on tax professionals, wherever they work, continue to develop. Accordingly, we must ensure our exams continue to test the skills required of today's tax professional. We last updated our exam syllabus and structure in 2009, so a comprehensive review has been conducted, led with extraordinary dedication by former President John Beattie. The review included representatives from, and consulted widely with, all our key stakeholders and I wanted therefore to provide you with a summary of some of the main changes, most of which will come into effect in 2019.

Full details are available on our website.

The starting point was the following statement setting out the purpose of our exams:

'The purpose of the CTA examination is to establish that candidates are capable of giving the very high standard of taxation advice expected of a Chartered Tax Adviser. This involves evidencing knowledge of a wide range of tax issues and demonstrating, in areas of tax chosen by them, in-depth competence and the ability to give concise and relevant written advice which is comprehensive, technically correct and commercially sound.'

Let me begin by clarifying what is NOT changing. There will definitely be no lowering of standards! Our exams will remain as challenging as ever, requiring candidates to demonstrate both breadth and depth in their tax knowledge. Accordingly, the basic structure of four written papers namely, Awareness (consisting of a choice of three

modules), two Advisory papers and a Case Study type paper, together with Computer Based Examinations ('CBEs') in other areas – currently Law and Professional Responsibilities and Ethics – will continue. The main changes are as follows:

Changes to Awareness Paper: We are ensuring that the Indirect Tax route to qualification is even more streamlined into our process. Accordingly, two modules currently available in Awareness and primarily sat only by Indirect Tax route candidates will be abolished. One of these, Accounting, will be replaced by a new CBE in Principles of Accounting which all candidates must sit (with an exemption for those with certain accounting qualifications).

Changes to Advisory Papers: The Advisory examination syllabi have been reviewed to ensure continued relevance. In particular, the two Indirect Tax Advisory examination syllabi will change and these two examinations will be renamed.

Changes to Application & Interaction ('A&I') Paper: This will become even more strongly a 'Case Study' Paper. Demonstrating technical expertise will remain fundamental but, since the primary purpose of the Advisory Papers is to test technical skills, the focus of this Paper will equally be on other skills such as the ability to understand and address the issues raised, to exercise judgment and to give clear advice. Accordingly, the Paper will be renamed 'Application and Professional Skills'.

Changes to Credits granted to Candidates who have passed Accountancy Exams: Currently, candidates who have passed the examinations of certain accountancy bodies are entitled to a credit from our A&I Paper. Within the new structure, this credit will no longer be available. Candidates who would previously have been entitled to this credit will instead become entitled to an exemption from our Awareness Paper. However, candidates within the ACA CTA Joint Programme, which is a unique and efficient route for students who want to specialise in one of three areas of tax and who are sitting two demanding qualifications simultaneously, will continue to have greater flexibility in this respect.

Elimination of the Confirmation of Eligibility ('CoE'): At present, any candidate for our exams must have a prior qualification which entitles them to a CoE. In recent years, assessing whether existing qualifications should entitle candidates to a CoE has become increasingly difficult and so the requirement for a CoE will be abolished.

However, anyone thinking of sitting our extremely demanding exams without a prior qualification will be very strongly encouraged to enrol on the Tax Pathway which is the streamlined route to gain both the ATT and CTA qualifications as part of a structured plan of study.

Taking all the proposed changes together, I am confident that the CTA qualification will remain the leading choice for those who wish to demonstrate their expertise specifically in taxation.

With best wishes to all.