



Becoming an Institute licensed to award Chartered Tax Adviser designation

Guidance
for Applicants

Preamble

An application for an Institute to be licensed to award Chartered Tax Adviser designation (CTA) is potentially a two stage process:

1. Submit an application against the criteria detailed providing supporting evidence as required for assessment;
2. Further information may be required to be able to make a decision.

There will be three possible outcomes of the process:

1. A successful application;
2. Corroboration and/or more information required to be able to make a decision;
3. A report detailing why the application was unsuccessful and advising on what is required to achieve the status

It is expected that all the criteria listed below will be considered and be addressed by the applicant. There will be some flexibility in the manner in which the items listed can be achieved. If a particular criterion is not met an adequate explanation of why it is not currently met may be acceptable, particularly if procedures are in place to meet it and are evidenced. Examples of suggested evidence can be found in the accompanying document *“Examples of Evidence Required”*.

The terms organisation and Institute are used to describe the applicant. Both terms are used to recognise that the legal form may vary between jurisdictions.

Part 1 – Governance and general sustainability of the organisation

This section details the minimum requirements expected of the organisation and its governance.

1. The Institute should:
 - 1.1 Be a non-profit organisation with a foundation document specifying public good objects including education in and promotion of the study of the administration and practice of taxation and promoting and enforcing standards of professional conduct amongst those engaged in the provision of advice and services in relation to taxation;
 - 1.2 Be led by a sovereign governing body which is independent of government and has the authority to make its own decisions;
 - 1.3 Be a leading organisation in tax and of high standing in its jurisdiction evidenced by being respected by members of the profession's major employers as well as the fiscal authority;
 - 1.4 Be widely regarded for thought leadership, producing or commissioning high quality materials and with members involved in tax policy;
2. Be financially secure and sustainable in the long run;
 - 2.1 Have a strategic plan which specifies clear objectives, responsibilities and procedures to follow and which can be proved to be regularly revisited;
 - 2.2 Demonstrate that individuals are assigned responsibility to deal with risk factors coordinated by a Committee with overall risk assessment and management responsibility;
 - 2.3 Ensure that its members and directors (that is trustees, principals or members of the governing body) are adequately covered by Professional Indemnity Insurance;
 - 2.4 Have members participate in policy formation of the Institute.
3. The governing body must:
 - 3.1 Demonstrate adequate governance procedures to ensure proper control of the Institute and appropriate refreshment of their numbers;
 - 3.2 Take ultimate responsibility for risk assessment and risk management.

Part 2 – Qualifications for Membership

This section deals with the requirements of how an Institute runs and manages its examination processes.

1. All candidates accepted for membership must have undergone a rigorous assessment process as detailed below;
2. Examination candidates must have a university degree or its equivalent (accepting technician qualification or appropriate experiential learning in some cases);
3. Tax legislation in the jurisdiction needs to be complex enough to justify individual Chartered status designation, if this is not the case knowledge of further jurisdictions will be necessary;
4. Teaching, if undertaken or managed by the Institute, must be based on rigorous teaching principles, properly governed and using up to date material.
5. The examination process must:
 - 5.1 Be rigorous with clear syllabus descriptions and expected learning outcomes and be at a standard broadly equivalent to that of the CIOT and existing licensees;
 - 5.2 Have a system for regular review of the syllabus (in line with tax law changes and amendments);
 - 5.3 Include examination setting and marking guidelines to ensure consistency;
 - 5.4 Ensure Examiners are trained to common standards;
 - 5.5 Be independently invigilated;
 - 5.6 Be audited and be accountable to a Board.
6. If examination result appeals are allowed they need to be independently reviewed.
7. If assessment by dissertations is allowed this must be conducted rigorously in terms of supervision and assessment including procedures to deal with misconduct in the form of cheating or plagiarism.
8. Any exemptions from examinations due to university course completion or completion of qualifications from other professional bodies must be assessed for equivalence with the normal processes used.

Part 3 – Member recruitment and retention

This section requires statistical and operational information on the membership of the Institute:

1. The membership of the Institute should:
 - 1.1 Be a substantial proportion of practising tax advisers;
 - 1.2 Be flourishing;
 - 1.3 Be regularly surveyed to determine their views, including their views on what they want from their Institute and their level of satisfaction.
2. There should be substantial support for the work of the Institute by member volunteers in areas such as running branch, specialist and special interest groups.
3. Volunteers among members should be encouraged and supported.

Part 4 – Complaints & Discipline

This section defines the complaints and discipline requirements of the applicant organisation.

1. The complaints and disciplinary process must be sound and rigorous and operate in a manner that is fair to both complainant and the member.
2. Stages of the process must be undertaken by individuals who act independently from other agencies.
3. Those involved in one step in the process should be different from those involved in other steps in the process; distinguishing at least investigation, disciplinary hearings and appeals hearings.
4. If there is an external regulator the relationship between the applicant and this regulator must be evidenced.
5. It must be widely accepted that if members are out of line with professional standards they will be held to account without fear or favour.
6. Complaints procedures must be clearly visible to members and the general public.
7. Disciplinary processes must be made clear to members and the general public.
8. Sanctions available must be made clear to members and the general public.
9. A range of sanctions should be available beyond suspension, exclusion or warnings – for example, fines, or mandatory training might be available to the adjudicators within the disciplinary process.
10. There should be an appeals process which should be independent of Council or Board of Directors.
11. The complaints and disciplinary process should be carried out in a timely manner.
12. Parties to the complaint should be kept informed of progress through the steps.
13. Outcomes of complaints and disciplinary procedures should be published.

Part 5 – Continuing Professional Development

This section defines the requirements for what is expected in a CPD scheme.

1. There must be a compulsory CPD policy in place.
2. If the measurement system is by inputs, a minimum number of hours must be required and that compliance will require some proportion of activities other than reading (structured activity).
3. Fulfilment of CPD requirements must be recorded and audited regularly.
4. Sanctions must be enforced for non-compliance.
5. Members must be required to carry out sufficient CPD to enable them to carry out their role competently and with a sound awareness of the professional standards expected of them.

Part 6 – Ethical Competence

This section details the minimum ethical requirements for the Institute.

1. The Institute must have an acceptable code of conduct or ethical code that is enforced. This may be a statutory code if it is acceptable, otherwise a separate institution code is required.
2. The code must be accessible to the general public as well as members.
3. The code must specify some public good obligations beyond pro bono activities.
4. The code should have certain core elements in it or in guidance material.
5. The code should be written in a strong enough language to allow sanctions to be applied.