



LETTERS TO THE EDITOR

THE INSTITUTE OF TAXATION

At a recent meeting of the Council of the Institute of Taxation, London, measures were approved for the extension of branch activities and for the establishment of a study group in Dublin. Towards the end of it is proposed to hold an inaugural meeting at the Presbyterian Association Hall, 2, (3 doors) Stephen's Green, Dublin, 2, at 7.30 p.m. on Friday, 10th November.

A circular is being issued to Dublin members and Solicitors in the Dublin area known to be interested in the prime objects of the Institute, that is, the dissemination of knowledge on technical points connected with taxation, the standardisation and improvement of professional practice, and co-operation with other professional, official and industrial bodies on matters arising out of the incidence of taxation and the methods of raising the revenue of the nation.

It is felt, however, that there are many other professional persons and students interested in taxation who may wish to attend, to hear and exchange views on the forward planning relating to a Dublin study group, and anyone interested in the subject of taxation will be most welcome.

Membership of the Institute is open only to applicants who have passed the examinations conducted by the Institute of Taxation. The principal benefits at present to be derived from membership are:

- (1) The status attaching to membership of a professional body dealing solely with the subject of taxation.
- (2) Use of the descriptive letters F.T.I.I. in the case of Fellows, and A.T.I.I. in the case of Associates.
- (3) Receipt of technical literature at regular intervals.—Yours, etc.

A. GRAHAM WILLIAMS.
VINCENT O'LEARY.
The Institute of Taxation.

CELEBRATING 50 YEARS

HISTORY OF THE INSTITUTE OF TAXATION IN IRELAND

GRAHAM WILLIAMS

In November 1967 Graham Williams and Norman Bala decided that there ought to be an Institute of Taxation in Ireland which would serve similar purposes to those which are served by the Institute of Taxation in the United Kingdom. These two gentlemen had no notion what kind of response would come from interested parties but in order to pursue the matter they inserted an advertisement in several of the newspapers circulating in Ireland indicating that any persons who would be interested in becoming members of an Institute of Taxation in Ireland should attend a general meeting called for the purpose of discussing such matters in the old Presbyterian Association building in St. Stephen's Green, Dublin.

In response to the advertisement, the attendance at the meeting at the end of November 1967 was wonderfully well come. It is reckoned that there would have been about two hundred people present and Graham Williams and Norman Bala together outlined generally why they had put the advertisement in the newspapers and thought that there would be every need for an association to promote the study of tax legislation, to facilitate the exchange of information and views and generally to provide opportunities for the dissemination of useful material concerning taxation in the Republic of Ireland and other countries through the medium of lectures, seminars, conferences and publication of papers.

At that first meeting it was decided that a committee of Taxation in Ireland should be set up forthwith and the chairman of the committee was Graham Williams and the vice-chairman was Norman Bala. The secretary was John Temple Lang and the treasurer was Paddy Maguire. In the early days of the committee meetings used to be held at the offices of Butler, Chance & Co. At the formation of the Institute of Taxation in Ireland the income tax legislation had recently been codified in the Income Tax Act, 1967 (which became more complete with the passage of the Finance Act, 1968).





Institute Celebrates 50 Years

Olivia Buckley

Director of Communications, Irish Tax Institute

As the Institute celebrates its 50th anniversary, Communications Director Olivia Buckley looks back on the past five decades.

The Beginning

The story of the Irish Tax Institute began in 1967 when two men of great vision, Graham Williams and Norman Bale, placed an ad in *The Irish Times* with the aim of forming a new professional tax body in Ireland. These were interesting times in the economic history of the country, and the establishment of the Institute took place against the backdrop of Ireland's economic expansion and its increasing focus on international relations and trade.

The year 1967 was an interesting and, indeed, significant one on many fronts. Ireland had made its second application for EC membership and had joined the GATT (General Agreement on Tariffs and Trade) that year, and the Anglo-Irish Free Trade Area had recently come into being. On the taxation front, there were some significant developments in 1967. The first consolidated income tax legislation since 1918 had been enacted – at that stage the largest Bill ever to come before the Dáil. It was 400 pages long and was reported to have weighed 2 pounds and 2 ounces. “Customs and excise” were the main taxes in terms of yield. In fact, indirect taxes, which primarily comprised customs and excise, turnover and wholesale taxes, accounted for more than half of the tax take that year.

On 9 November 1967 the ad appeared in *The Irish Times*, inviting those interested in forming a new tax institute – Dublin members of the UK Institute of Taxation and



other interested people – to gather in the Presbyterian Association Hall on St Stephen's Green that week. The meeting was attended by 200 people, and the Institute of Taxation in Ireland was born.

The Mission

The Institute's mission at the outset was clear: to promote the study of, research into and discussion of all matters relating to fiscal legislation, the administration and practice of taxation, and the principles of economic and political science as they relate to taxation and public finance. The aim was also to share the results of the Institute's work with the public and relevant Government departments and statutory bodies.

It was agreed that the Institute would use lectures, seminars, conferences and the publication of papers to share information and knowledge on tax. It set about this work, and the first seminar was held in Trinity College Dublin on 6 April 1968. It addressed the Finance (Miscellaneous Provisions) Act 1968, along with important and developing aspects of estate duty law.

The 1970s

Building tax expertise

Seminars and conferences on major tax developments became the bedrock of the Institute's tax information sharing mission in the early years, and its role became increasingly relevant. The early years were busy ones. Major reform of capital taxation took place in the mid-1970s: estate and other death duties were abolished, and three new forms of capital taxation were introduced – capital acquisitions tax, capital gains tax and wealth tax. A new corporation tax was introduced to replace income tax for companies and corporation profits tax.

Ireland's entry into the EEC also brought change to the tax landscape. The first of many chapters in our EU tax history began with a new tax called value-added tax (VAT), and again, knowledge and understanding were vital. VAT was introduced on 1 November 1972, in preparation for EEC membership from January 1973. As Ireland looked outward, the Institute expanded – its work ensured that the tax community and those interested in tax kept pace with the rapid changes in tax policy.

A new era in tax education

The most significant development of all in the Institute's history took place toward the end of the 1970s, with the launch of a new tax qualification for Ireland. The Associate of the Irish Tax Institute (AITI) programme would become recognised as the gold-standard qualification in tax and the proud hallmark of the Institute.

The establishment of a rigorous and respected education qualification in tax led to the emergence of a highly regarded tax profession in the country. It was timely and important for a country that was expanding and whose taxpayers sought to be served by leading experts in taxation. As the world changed, the Institute's education programmes expanded to reflect the developments in Ireland, the EU, the US and elsewhere.

The Institute also began its foray into regular member communications, with the quarterly newsletter launched in 1976. The demand for knowledge was such that the newsletter became a comprehensive tax technical journal, and the widely read *Irish Tax Review* was born 8 years later.



Pictured outside the Institute's new premises on Sandymount Avenue in 1991 are Past Presidents of the Institute L-R: Derry O'Hegarty, Paddy Maguire, Sean Cleary, James O'Sullivan, Graham Williams, Norman Bale, Norman Judge (President 1991/92), Finian Breheny, Donald McLean, Edmund Cummins, Oliver Fry, Niall Kerrigan and Terry Cooney

Broadening knowledge: entry into publishing

The Institute's decision to become a publisher of legislation and commentary books across a vast array of tax issues was a major statement of its professionalism and its commitment to tax expertise and to excellence in the tax profession in Ireland.

The Institute published its first book in 1977:

Summary of Capital Taxes, VAT and Stamp Duties in the Republic of Ireland. This marked

the beginning of a highly productive and esteemed publishing arm. In its 50-year history, the Institute would go on to publish 342 books, including commentary by tax experts and more than 200,000 pages of tax legislation.

These many outstanding publications were (and still are) to be found on the desks of those involved in the practice and administration of tax throughout the country. The books were highly regarded and frequently consulted. Titles such as *Corporation Tax*, *Taxation Summary*, *Direct Tax Acts* and *Taxing Financial Transactions* would mirror some of the most transformative measures and moves in Ireland's economic history.

Given the scale of the issue, a Commission of Taxation was established to examine Ireland's taxation policies; it produced five reports over the next five years. In its fifth report, in 1985, the Commission stated that "the administration of taxation in Ireland has virtually broken down", and so it recommended self-assessment.

The Institute and its members were committed to making a significant contribution to

the radical change in Ireland's tax system and succeeded in bringing a deep understanding of the issues affecting taxpayers, the self-employed and tax returns to this new and uncharted journey. Members travelled to Canada, the US, Australia and New Zealand to draw on their knowledge and to bring international experience to the discussions at home.

The Institute established an extensive education and information campaign on the new regime, and such was the scale of the Institute's contribution that it was recognised by Government, which placed on record its "appreciation of the commitment and co-operation received from tax accountants and advisers in relation to

the [self-assessment] changes introduced to date".

The Institute hosted seminars and wrote a series of *Irish Tax Review* articles on self-assessment to inform and educate members on this significant development. The initial seminar attracted huge numbers to the Burlington Hotel and reinforced the Institute's reputation as a key contributor on Irish tax matters.

**THE INSTITUTE OF
TAXATION IN IRELAND
HALF DAY SEMINAR
ON SELF ASSESSMENT**

**At the Burlington Hotel, Dublin
on Tuesday, 6th September at
2.30 p.m.**

Speakers

**Frank Cassells: Revenue
Commissioners**

**Christopher Clayton: Revenue
Commissioners**

Paul Moore: Paul Moore & Co.

**Cost £35 inc. documentation.
Persons interested should contact
the secretary at 611030 / 611032.**

The 1980s

A new journey into self-assessment

With the introduction of a self-assessment regime, the 1980s saw the Institute make one of its most significant contributions to the administration of tax in Ireland. The decade began with a PAYE "tax revolt", when 750,000 people took to the streets in tax protest marches before the 1980 Budget.

The year 1989 saw the establishment of the Tax Administration Liaison Committee (TALC), a liaison committee between the Revenue Commissioners and professional bodies including the Institute. Our members played an important role, bringing their experiences and insights to the discussions, and to this day remain key contributors to the process. Member representatives and Revenue now meet 20 times a year and discuss all areas of tax administration.

The 1990s

The growth of knowledge

As the Institute moved into the 1990s the breadth and complexity of Irish and international tax legislation continued to grow. In addition to keeping members informed on legislation, the Institute was sharing information on Revenue guidance and codes, international and domestic tax cases, EU tax law and new international tax rules.

Over the years, the well of knowledge was deepened, with several major initiatives by the Institute. Such was the volume of information on tax that TaxFax was launched in 1995 to complement the bimonthly *Irish Tax Review*. In 1998 the Institute established the online research tool TaxFind. It became Ireland's most comprehensive tax database, with the Institute continually investing in both content and functionality to ensure a best-in-class service to members.

Tax policy and engagement

Collaboration was at the core of the Institute's ethos from the beginning. From the outset, the Institute was aware of its overall responsibility

in helping to shape tax policy and tax administration for the better and the importance of making a positive contribution to the Irish tax journey. The breadth of its members' advisory work across all sectors of taxpayers and economic activity in Ireland enabled it to make informed and insightful contributions and submissions to policy formulation and to share its views with legislators, policy-makers and stakeholders representing various aspects of economic life in Ireland.

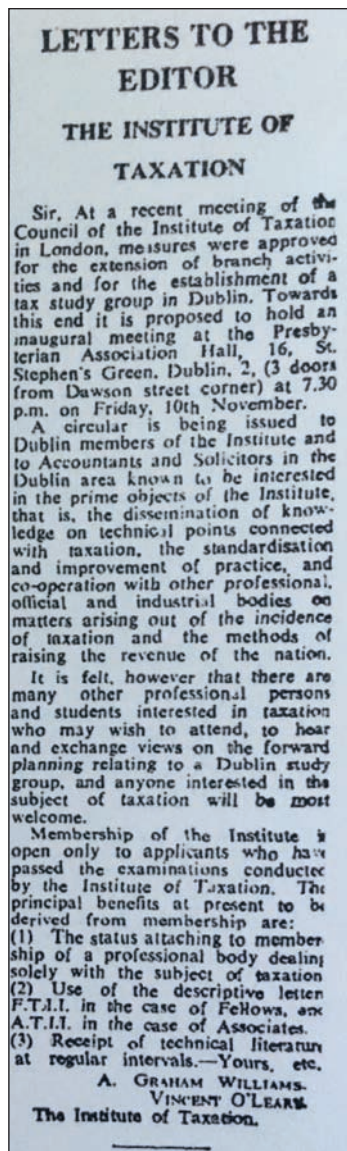
Expansion

The vast array of activity and the range of issues emerging in the field of taxation and economics led the Institute to host its first Annual Conference in 1990. Domestic and international tax issues filled the agenda, attracting hundreds of members to the conference, which would become a flagship event in the Institute calendar. The organisation was growing at a fast pace, and 1990 saw the Institute acquire new premises at 19 Sandymount Avenue.

Education remained at the core of the Institute's mission, and the commitment to educate a world-class profession in Ireland was evidenced by the evolution

of the education programme into a 3 part examination, the aim of which was to broaden and deepen students' tax knowledge and skills.

International tax continued to be a major issue on the tax agenda during the 1990s. In 1997 a new 12.5% corporate tax regime was announced, and the rate would become one of the central pillars in Ireland's continuing inward investment strategy. R&D related tax measures,



The advert placed in *The Irish Times* calling for members to establish a new Institute of Taxation.

which would become an important part of driving research activities in the country, was also introduced in the 1990s. Self-assessment had bedded down at this point and was now extended to capital gains tax.

The 2000s

Technology and education

The growth and dynamism of the organisation and its membership continued into the new millennium. Tax administration issues were at the heart of the work of the tax profession, and the breadth of topics on the agenda continued to expand. The 2000s saw the first Joint Conference between Revenue and the Irish Tax Institute — a new and unique initiative whose agenda would reflect the rapidly changing nature of the tax issues emerging, from the impact of technology on tax compliance, interventions and audits through to the exchange of data and the international transparency agenda.

The launch of Revenue's Online Service (ROS) in September 2000 was a pivotal moment in the use of technology in tax administration, with the service providing enhanced efficiency for taxpayers and tax advisers. The demand for engagement on Revenue-related issues was also reflected in the launch of the Irish Tax Institute Branch Network in 2005. It was formed to mirror Revenue's root-and-branch reorganisation in 2004, which was structured around five new Revenue regions. The role of the Branch was to identify local tax administration difficulties, promote discussion and find solutions at local level, and this continues to be its focus today.

The impact of global tax issues and engagement with stakeholders internationally were becoming a greater feature of Institute activity. In 2001 the Institute hosted the second World Tax Conference, with more than 200 delegates from 34 countries attending.

All the while, the importance of education and the role of the Institute in the provision of relevant qualifications remained at the heart of the organisation. The Tax Technician

programme was launched in 2003 and became the only dedicated professional taxation compliance qualification in Ireland.

Also in the mid-2000s, the Institute moved to its current office in Grand Canal Harbour, an area that was fast transitioning into a vibrant and energetic new district in the city and would, in time, become known as "Silicon Docks".

The 2010s to Now

The prestige and recognition of the AITI qualification were a testament to the Institute's excellence and expertise in tax education over many decades, and to the dedication of our members and employer firms who contributed hugely to the development of education throughout the years. In 2012 the thousands of Associates of the Irish Tax Institute (AITIs) were awarded Chartered Tax Adviser (CTA) status, the brand that represents the highest standards in tax internationally. The Institute's AITI members became part of the 28,000-strong international Chartered Tax Advisers (CTA) group, which gave our members a strong international brand. Given the increasingly global nature of tax, it was an important and significant step for AITIs working in Ireland and internationally.

Technology was also driving advancement in the education and professional development services of the Institute. Investment by the Institute enabled online learning for students, while members could access conferences, seminars, papers, e-publications and an advanced TaxFind research product from anywhere in the world.

On the policy front, the global tax agenda dominated much of the debate on — and, indeed, the journey of — tax policy in recent years. The OECD's BEPS project and the EU's Anti-Tax Avoidance plan led to major changes in global tax policy. The Institute played its part in the new global journey and was to the fore in establishing major events to facilitate further discussion and debate on the issues. It co-hosted the Harvard Kennedy School & Irish Tax Institute Global Tax Policy Conference in

2013 and 2016 and hosted leadership events on international tax issues at key junctures in the engagement process.

The Institute has remained dedicated to making an important contribution to the formulation of tax policy and an effective tax administration system, and has worked with Government, the Oireachtas, officials, the EU and the OECD on the major tax issues of the day. The Institute's provision of training to Revenue in recent years and the development of tailored tax policy courses and publications, along with educational initiatives in partnership with the Department of Finance, are part of its work in this area.

The Future

Today, the Institute continues to design and develop courses, curricula, publications and information services that reflect the continually changing global environment in which members advise and practise. As Ireland stands on the cusp of a new chapter in its EU membership and its trade relationship with the UK, the Institute is designing education courses, briefings and events on Brexit for members and stakeholders.

The impact and scale of Brexit, US tax reform and EU tax proposals may be unknown, but there is acceptance that major change is on the way and that it is vital for Ireland to remain competitive and attractive. The Institute and its members are dedicated to playing their part,

along with many others, in making a positive contribution to the consultation and discussions that are under way on the key economic issues facing Ireland.

The Tax Profession Today

As we face the future, the Institute is proud of the progress and advances it has made over 50 years. The journey has been made possible by the vast experience and diversity of our membership, comprising thousands of tax professionals who work across a vast array of sectors in Ireland and internationally.

Today, the Irish Tax Institute is the leading representative and educational body for Ireland's Chartered Tax Advisers and is the only professional body exclusively dedicated to tax. There are more than 5,000 members and 1,300 students across Ireland, and the Institute is part of the international CTA network, which is represented in Australia and the UK. It is also a member of the Confédération Fiscale Européenne (CFE).

The Institute is on a constant journey of advancement and progress in a rapidly changing global environment. It remains true to the original mission of its founders 50 years ago and continues to play its part in education, the sharing of knowledge and expertise in tax, and the continual development of Ireland's tax policy and tax administration regime.

