



Setting up a tax practice

A useful guide

9. Insurance

The main category of insurance under this heading is professional indemnity insurance whereby protection is available against your legal exposure for losses suffered by your clients as a result of negligent advice. Brokers will ask a number of questions in determining the cost of professional indemnity and some of these questions may include:

- 1 The number of years experience that you have
- 2 The likely fees to be generated in year one
- 3 The percentage split of fees between tax consultancy, tax compliance and mergers, acquisitions and disposals etc.
- 4 Whether you will be authorised to provide investment or financial services advice
- 5 Whether you will subcontract work and if contractors will have their own insurance
- 6 What form of contract will you use with clients
- 7 What limits of indemnity are required and the excess that you are prepared to carry

Depending on your circumstances, other insurance cover that may be required might include:

- 1 Employer liability insurance
- 2 Public liability insurance
- 3 Property and contents insurance
- 4 Keyman insurance
- 5 Income protection
- 6 Directors' and officers' insurance

ITI has agreed terms with one Insurance provider ERM Financial Services, 7 St. James' Terrace, Malahide, Co. Dublin, tel: +353 1 8454361.

However, anyone establishing themselves in practice should check alternative suppliers for the most suitable arrangements and prices.