THE ANNUAL TAX CONFERENCE 2016

TAX PRACTICE:- A CASE FOR SYNERGY WITH THE LEGAL PROFESSION

by

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THURSDAY, SEPTEMBER 22ND, 2016
@PRIDE INN PARADISE, Shanzu Mombasa
OUTLINE

Introduction

Changes in the Legal Framework

TAX practice in Kenya

Opportunities for Collaboration

Uphold Public Interest

ACCOUNTANTS

LAWYERS
Can one profession stand on its own feet?

I find that networking with attorneys is one of those few win-win opportunities for both of us,” Steven J. Elliott, tax director at Schwartz & Co, LLP. “speaking on clients referrals on both sides.
Arguments on where to draw the line between the accountant and the lawyer as regard to tax practice is a live discussion over the years.

However, what is required is not ‘drawing’ of the line but ‘erasing’ of the line so as to draw the maximum teamwork between the two professions.
Effective tax practice calls for a synergy between the accountancy and the legal profession.

A Synergy that will facilitate more professional harmony and contribution to the growth of tax practice.

Uphold . Public . Interest
Can the following cases be determined without collaboration of the two professions?

 Receivership & liquidation of Companies?

 Tax disputes?

 Uphold . Public . Interest
Involves overly: Advisory, Planning /pre-litigation and litigation

- Tax Advisory/Compliance: Completes tax returns- facts have already occurred
- Tax Planning: Open fact engagements- tax avoidance and evasion (planning requires knowledge and skills)
- Tax Litigation: Requires the services of an advocate/lawyer
Tax accountants and tax lawyers bring different skills to the table. Cooperation between the two professions is frequently essential if the client is to receive a high-quality output.

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<th>Accountants</th>
<th>Lawyers</th>
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<td>Knowledge of accounting principles; they Possess detailed knowledge of the client’s accounts, what the client is doing, and what the numbers mean and where they come from</td>
<td>Lawyers have expertise in drafting</td>
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<td>Able to identify tax-planning opportunities, because they regularly visit the client’s premises for a number of reasons, including the completion of annual financial statements and to “sign off” on tax provisions</td>
<td>Knowledge and ability in legal principles and rules of evidence</td>
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<td>Able to produce the necessary paperwork to document a tax plan</td>
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Involvement of accountants in projects on issues including business structures, capital allowances, VAT and capital gains tax is crucial to maximising tax efficiency from the outset.

Locally and internationally, lawyers and accountants work in separate businesses but under a single umbrella and brand.

It’s all about offering the client more. Working together reduces the chance of limited or blinkered advice and enhances the likelihood of the client growing and achieving their personal and corporate goals.

**THERE IS A CLEAR CASE AND JUSTIFICATION FOR WIN –WIN- SCENARIO**

Uphold .  .  Public .  .  Interest
WHAT DO YOU THINK IS THE TAX PRACTICE OF THE FUTURE?

How do you think it would look like?
CONCLUSION-
Accountants vs. Lawyers: A Pointless Debate

A smart **lawyer** can keep a killer out of jail,
a smart **accountant** can keep a thief from ...

- If a an ex-lawyer and ex-accountant start a debate over which profession was more god-awful, Who will win the conversation?
The Tax profession can continue to offer challenging and rewarding careers for many accountants and lawyers.

the responsibilities attached to the practice of tax are not going to become any less onerous.

Divided we fall, united we stand!
Thank You!