

THE INSTITUTE OF INDIRECT TAXATION

COMPULSORY CONTINUING PROFESSIONAL DEVELOPMENT (CPD)

1. The CPD rules do not apply to students or affiliates of the Institute
- 1.1 It is important that a member keeps fully up to date in relation to statute and case law and practice in areas where the member holds themselves out to be competent to practice. A member must be prepared to meet the obligations necessary to provide the best possible service to clients or an employer.
- 1.2 A compulsory CPD scheme applies to all Institute members with some minor exceptions. Full details are given in the notes below.

NOTES -REGARDING THE INSTITUTE'S COMPULSORY CPD 2010

1. Citation, commencement and application

- 1.1 These Regulations may be referred to as The Institute of Indirect Taxation's Compulsory Continuing Professional Development Regulations 2010.
- 1.2 These Regulations shall come into force on 1 January 2010
- 1.3 These Regulations shall apply to all members of the Institute

2. Introduction

- 2.1 In these Regulations 'CPD' means Continuing Professional Development and refers to the scheme constituted by these Regulations.
- 2.2 The Institute's Ethical Rules state that 'A member must carry out his professional work with a proper regard for the technical and professional standards expected'. These Regulations have been designed to ensure that members maintain their ability to comply with this Professional Rule and are structured upon the following principles:
 - (a) they should be relevant to the needs of members in their working fields;
 - (b) they are sufficiently flexible to cater for the particular circumstances of members;
 - (c) they do not create onerous demands;
 - (d) they involve reasonable periods only having to be spent outside the normal working environment; and
 - (e) they are not administratively burdensome.
- 2.3 All members of the Institute except those not working in indirect taxation must comply with the CPD requirements save those exempted under Section 7 below. A member who is uncertain

whether these Regulations apply, or who wishes to apply for exemption under 7 below, should consult the Membership Department at the Institute.

3. The basic requirements

- 3.1** The minimum requirement for members of the Institute is 80 hours of CPD per calendar year, of which a minimum of 12 hours must be structured training and the remainder either structured or unstructured training. The annual requirement can be met on an averaging basis over any two consecutive years.

4. Definition of structured training

Structured training includes:

- 4.1** Attendance at conferences, seminars, workshops, discussion meetings or similar events that involve active contribution by the member.
- 4.2** Preparation of lectures and other forms of presentation.
- 4.3** Writing books, articles or reviews.
- 4.4** All learning media, provided that they involve interaction with other individuals (including group research; listening to audio tapes; viewing tax videos/DVDs and tax-specific television programmes; using video disks and computer-based training packages).

5. Definition of unstructured training

Unstructured training includes:

- 5.1** Reading.
- 5.2** Any other form of learning where there is no interaction with other individuals. This would include the learning media in Regulation 4.4 where undertaken on a personal basis.

6. Non-core subjects

- 6.1** In Section 4 and 5 above structured and unstructured training normally mean training in the field of UK indirect taxation. A member who practises in foreign tax may apply these Regulations by substituting the foreign tax for UK indirect taxation.
- 6.2** Training in law, accounting and financial services, practice management and administration, staff development and computer and software development may be included up to a maximum of one half of the total annual CPD requirement.

7. Exceptions

Members who are experiencing real difficulty in complying with the Rules and wish to claim some exemption should make their request in writing. This should include brief details for the request and be addressed to the Secretary General.

For example, the following may be exempted:

- 7.1** Members not working in indirect taxation

- 7.2 Members unable to meet the requirements due to ill health or disability
- 7.3 Members on maternity leave or career break (an average of one hour per week of unstructured training will continue to be required)
- 7.4 Members who are unemployed
- 7.5 Retired members
- 7.6 Members exempted under discretionary powers reserved by the Institute

Where members come within any of the above categories for only part of a calendar year the exemption will apply for that part only, on a pro rata basis where appropriate. Anyone wishing to claim exemption must make their request in writing and this should include brief details for the request and, where appropriate, confirmation that unstructured CPD will be undertaken. Requests should be addressed to the Secretary General.

8. CPD requirements of other professional bodies and of professional firms

- 8.1 A member is entitled to count towards the Institute's requirements any appropriate training undertaken to fulfil the CPD (or equivalent) requirements or recommendations of another professional body of which they are a member, and of their firm or company.
- 8.2 Where the requirements of the other professional body, or the firm or company, are for a year ending other than on 31 December the member may use for the purposes of these Regulations the CPD training for that other year whose end falls within the relevant calendar year.

9. Records to be kept

- 9.1 Members are required to maintain their own annual record of CPD undertaken and be able, when required, to confirm to the Institute that they have complied annually with the CPD requirements. If this has not been the case it will be up to the member to explain the reasons for this. Also members should be prepared to explain the relevance of their CPD to their personal professional development. The Institute reserves the rights to inspect and verify the member's CPD records. The Institute does not provide a specific record sheet on which members are to record their CPD. Members may develop their own form and members of other professional bodies, or with firms or companies, which require them to keep CPD records may use that record sheet, suitably adapted where necessary.
- 9.2 Where members attend a meeting at which no attendance charge is made they must record their attendance in the record book kept by the organisers, if there is no record book members may wish to seek to get the organisers to confirm their attendance.
- 9.3 Members should keep their CPD records for a minimum of two complete calendar years. The Institute will make random checks by requesting some members to send in their CPD records covering a two-year period or, if a member of the Institute relies on the averaging provisions in 3.1 above, three complete calendar years.
- 9.4 A member who is requested to submit their CPD records under 9.1 above shall be required to produce these, and such other explanations as may reasonably be requested, within thirty days of the request.

9.5 Members who are subject to disciplinary proceedings must retain their existing CPD records for the duration of the proceedings and for a further period of twelve months after the end of the proceedings.

10. Failure to meet the compulsory CPD requirements

- 10.1** If a member of the Institute within the compulsory scheme fails to meet the requirements for any year the member will be required to achieve sufficient CPD units in the immediately preceding or next following year, so as to meet the requirements over the two-year averaging period.
- 10.2** Any investigation into a complaint made about a member will include checking the member's CPD records.
- 10.3** If practising certificates are introduced by the Institute a prerequisite to the issue of a certificate or to its renewal will be to have met the compulsory CPD scheme requirements.

11. Failure to comply

Failure to comply with the CPD requirements contained in these Regulations may result in disciplinary action being taken.

12. Members not within the compulsory CPD scheme

- 12.1** The Institute encourages all members not within the compulsory scheme to meet the CPD requirements on a voluntary basis, as a means of ensuring that they keep up to date in the ever-changing world of taxation.

13. Membership enquiries

All enquiries by members and course providers about CPD, including questions for guidance on whether an activity is structured or unstructured, should be addressed to the Membership Department at the Institute on +44 (0)1883 730658 or membership@theiit.org.uk