



The Institute of Taxation of Pakistan Code of Conduct



The object of the Code of Conduct is to promote the standard of conduct, or self-discipline, required of members of The Institute of Taxation of Pakistan (Institute) in the interest of the public. It aims to ensure:

- a) that members conduct themselves in a manner consistent with that of a professional person;
- b) that one member does not gain an unfair advantage over another;
- c) that members do not misrepresent themselves or the Institute; and
- d) that the public may rely upon the members for their integrity and professionalism.

The Institute will not normally use its disciplinary procedures to determine allegations of incompetence or negligence.

All members are governed by the Memorandum and Articles of Association, Bye-laws and any Regulations of the Institute and any supplementary regulations as may be in force from time to time.

All members must adhere to the Code of Conduct at all times and must endeavour to secure the widest possible acceptance of the Code by all other members. When it is alleged that any member has acted in breach of the Code, the Disciplinary Committee shall inform the member of their right to explain the circumstances. If the Disciplinary Committee considers that there is a case to answer, it shall investigate the complaint, consider the evidence at a formal Hearing and make its decisions. Decisions of the Disciplinary Committee take immediate effect.

The member and complainant have the right to attend the member's formal Hearing in accordance with the Conduct and Disciplinary Procedures of the Institute.

The member and complainant have the right of appeal to Council, except when the Disciplinary Committee has determined that there was no case to answer.

The Council of the Institute shall receive reports of the Committee detailing its decisions.

For the purposes of the Code, the Institute may hold a member acting through a body corporate or a firm of which he is a director or a member or a partner, responsible for the acts of that body and such a member shall so conduct the business of that body to comply with the Code of Conduct.

Definitions are detailed below in this document and fall within the Code.

The Code

In the Code the words standing in the first column of the following table shall bear the meaning set opposite to them respectively in the second column if not inconsistent with the subject or context:

Words	Meaning
"appeals procedure"	An appeal to Council to consider appeals by members or complainants against a disciplinary action or procedures following a Hearing except where it was determined that there was no case to answer.
"Board"	The Board of Governors/Council of the Institute.
"Certified Member"	Those Members awarded the suffix CTA and use of the designation "Certified Tax Adviser" by the Institute.
"client"	A person or body who commissions a service or services.
"Disciplinary Committee"	The Committee established by the Institute to consider allegations of breaches of the Code of Conduct and to agree actions in relation to the complaint.
"complainant"	A person or body who may make a complaint to the Institute concerning the professional conduct of a member.
"conflict of interest"	Any interest, financial or otherwise, any business or professional activity, or any obligation which is incompatible with the proper discharge of a member's duties.

Words	Meaning
"Institute"	The Institute of Taxation of Pakistan.
"in writing"	All modes of representing or reproducing words in a visible form including electronic communications.
"member"	Those members accepted by the Institute as either a Certified Member (CTA), a Fellow member (FTA), an Associate member (ATA), an Affiliate, a Manager (CTM) or a student of the Institute
"practice"	One of the following: a) a sole practitioner; b) a company incorporated under the Companies Act c) a partnership constituted under the Partnership Act d) a Limited Liability Partnership incorporated under the Limited Liability Partnership Act; or e) as defined in the member's jurisdiction of business.
"principal"	A member who is either a sole practitioner, a director, a partner or a limited liability member of a practice. This includes any member offering and/or providing a service.
"Affiliate"	Those persons accepted by the Institute into the class of Affiliate.

Words importing the singular number only shall include the plural number and vice versa. Words importing the masculine gender only shall include the feminine gender. Words importing persons shall include corporate entities.

Clause 1: Professional Conduct

The members shall at all times:

- a) act with integrity so as to uphold the standing and reputation of the Institute;
- b) act faithfully and honorably in their professional responsibilities;
- c) rely only on merit or fair competition to secure assignments and appointments;
- d) not seek directly or indirectly to injure the professional reputation of another;
- e) not knowingly misrepresent the views of the Institute;
- f) not knowingly misrepresent their professional qualification;
- g) describe themselves factually and/or in good faith.

Clause 2: Descriptors

- a) Only Certified Members may use the suffix CTA and describe themselves as Certified Tax Adviser, unless:
 - i. the Board approves either generally or specifically the use of any other description: or
 - ii. they possess other qualifications or perform other functions which allow the use of other descriptions.
- b) Only Fellow Members may use the suffix FTA and describe themselves as Fellow Tax Adviser, unless:
 - i. the Board approves either generally or specifically the use of any other description: or
 - ii. they possess other qualifications or perform other functions which allow the use of other descriptions.
- c) Only Associate Members may use the suffix ATA and describe themselves as Associate Tax Adviser, unless:
 - i. the Board approves either generally or specifically the use of any other description: or
 - ii. they possess other qualifications or perform other functions which allow the use of other descriptions.
- d) Only Affiliate Members may use the suffix Affiliate and describe themselves as Affiliate Tax Adviser, unless:
 - i. the Board approves either generally or specifically the use of any other description: or
 - ii. they possess other qualifications or perform other functions which allow the use of other descriptions.
- e) Only those members awarded the suffix CTM may describe themselves as professionally qualified Certified Tax Manager, unless:
 - i. the Board approves either generally or specifically the use of any other description; or
 - ii. they possess other qualifications or perform other functions which allow the use of other descriptions.

Clause 3: Practice Registration

- a) Only CTAs and FTAs may act as principals and offer and/or provide services directly to a client.
- b) CTAs and FTAs acting as principals shall:
 - i. obtain and maintain formal registration of their practice with the Institute; and
 - ii. comply with the "Requirements for ITP Registered Practices" as published by the Institute from time to time.

Clause 4: Professional Indemnity Insurance

From the effective date to be determined by the Board the practicing members who:

- a) provide services directly to a client shall obtain and maintain adequate professional indemnity insurance;
- b) are principals of a practice providing services directly to a client shall ensure that adequate professional indemnity insurance is obtained and maintained by that practice;
- c) were principals but who have ceased to provide services directly to clients shall take all reasonable steps to either:
 - i. ensure that adequate run off professional indemnity insurance cover is affected; or
 - ii. discharge their duty whilst protecting the interest of their client;
- d) are or were principals shall on request by the Institute provide the necessary evidence to demonstrate compliance with clauses 4a)—4c) above.

Clause 5: Offering and/or Providing Services Directly to a Client

- a) Only practicing Members may advertise their membership of the Institute as a professional qualification to secure assignments directly from a client.
- b) CTAs and FTAs acting as principals of a practice shall:
 - i. before commencing work on any assignment, ensure that their terms of engagement have been given in writing to the client;
 - ii. satisfy themselves that those terms have been accepted;
 - iii. endeavour to ensure that the services offered and/or provided by their practice are appropriate to their client's requirements;
 - iv. endeavour to ensure that the client's existing professional advisers (if any) have been consulted and endeavour to ensure that all responsibilities to those persons have been appropriately discharged;
 - v. not misrepresent the services available by their practice; and
 - vi. decline to offer and/or provide a service to their clients if they knowingly lack adequate resources or if appropriate, advise or recommend the necessity of assistance from a suitably qualified professional.

Clause 6: Conflicts of Interest

- a) CTAs or FTAs offering and/or providing services directly to a client shall take reasonable precautions to ensure that no conflict of interest arises between their clients and themselves.
- b) Employed members shall take reasonable precautions to disclose to their employer any conflict of interest which arises between themselves and their employer.
- c) Any members perceiving a potential conflict of interest shall report that conflict in writing to either their clients or employer as appropriate at the earliest opportunity.

Clause 7: Continuing Professional Development

The members (excluding student members) shall:

- a) keep themselves informed of current practices and developments appropriate to the type and level of their responsibilities; and

- b) be able to provide evidence that they have complied with the requirements for continuing professional development (CPD) as published by the Institute from time to time.

Clause 8: Breaches of the Code

The members shall:

- a) report to the Institute any alleged breaches of the Code by themselves of which they become aware;
- b) not at any time seek to dissuade, penalize or unreasonably discourage any person from bringing or pursuing a complaint against a member; and
- c) when subject to an investigation by the Institute of an alleged breach of the Code use their best endeavours to assist in that investigation at their own cost.

Clause 9: Bankruptcy and Insolvency

A member shall report to the Institute within 28 days, 35 days if resident overseas, if they are:

- a) made the subject of an order of court disqualifying them from acting as a company director; or
- b) made the subject of a bankruptcy order or entered a civil voluntary arrangement; or
- c) a director of a company which is wound up (other than for amalgamation or reconstruction purposes).

Clause 10: Cessation of Membership

Immediately upon ceasing to be members of the Institute, the members shall:

- a) cease referring to themselves as a member of the Institute;
- b) return their certificates of membership and membership card to the Institute; and
- c) take all reasonable steps to prevent third parties describing them as members.