

GREAT IS THE NEW AVERAGE

HOW TAX PROFESSIONALS CAN EXCEL

In the 2012 Salary Guide, completed in a survey by the Institute of Certified Public Accountants of Singapore (ICPAS) and specialised recruitment firm Robert Half, a higher remuneration is registered for tax specialists in both the middle and upper management than in most other accounting-related jobs.

In Singapore, the median annual remuneration of a Tax Manager is \$105,000, compared to \$96,000 for a Finance Manager, \$80,000 for an Audit Manager and \$97,500 for an Internal Audit Manager.

As one progresses up the corporate ranks, the Salary Guide shows the Tax Director drawing an annual median salary of \$201,000, which compares favourably with the \$180,000 for a Treasury Director, and \$165,650 for an Internal Audit Director.

Separately, in a recent survey by ICPAS, small and medium-sized entities (SMEs) rank taxation services and advice as their greatest need, while small and medium-sized practices (SMPs) rank auditing as the service they are most keen to provide. This reflects a push for SMPs to expand their scope of service offerings to include tax services, which in turn increases the demand for tax specialists.

Moreover, cross-border tax implications arising from increasing levels of global business activities also spur the



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need for tax professionals with expertise in international tax. At the national level, the Committee to Develop the Accountancy Sector (CDAS) has recommended that Singapore be positioned as a Centre of Excellence for high value-adding professional expertise; one way to achieve this is to develop niche specialisation pathways in areas

such as international tax expertise.

Another key tax development is the Inland Revenue Authority of Singapore's (IRAS) increase in focus on tax governance. IRAS has rolled out initiatives that require

assurance checks to ensure that the tax returns submitted are complete and accurate. It is through these

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checks that companies may, for example, enjoy the given benefits under certain tax schemes.

What do all the above developments imply for the tax professional?

The increased need for tax services should spur more SMPs to offer a more holistic range of services to their clients. Consequently, the remuneration of tax specialists reflects this demand, which in turn may attract more individuals into the profession, completing this growth cycle in demand for tax specialists. While there have been various bodies looking into the needs of the accountancy profession as a whole, Singapore now has its *first* dedicated accreditation body for tax professionals – the Singapore Institute of Accredited Tax Professionals (SIATP) – formed through a partnership between ICPAS and the Tax Academy of Singapore (TA). These developments point to a heightened awareness and recognition of the work of tax professionals as they become increasingly sought after.

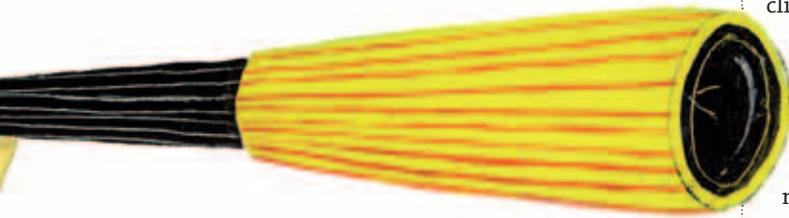
THE “NEW” TAX SPECIALIST

With so many recent developments all having an impact on the tax scene, it is a “made-over” landscape that is the new reality for today’s tax professionals. The new landscape offers more opportunities and many accounting professionals will certainly jump on the bandwagon to offer and/or specialise in tax services. Competent tax professionals who outshine their peers will be much sought after and command a premium.

However, what does it mean to be

“competent” – as perceived by a client or employer, and be a sought-after tax professional in this new business landscape? How does a tax executive stand out from his peers? Just what is that extra X factor?

To some, a competent tax professional must be good at tax computations so as to ensure his client or boss (the business owner) is tax compliant, and he has peace of mind to focus on other aspects of the business. To others, competency means being updated on the latest tax developments and understanding the impact on the business so that he is



able to give relevant advice. Yet to others, a competent tax expert should be able to think ahead and seek to align the tax affairs to support the client's or employer's corporate strategy and minimise tax obligations.

There doesn't seem to be one consistent definition of what it means to be competent. It really depends on what the client or employer wants. This being the case, then how can a tax professional confidently reflect competency to his employer or client if the expectations differ and may vary significantly? Are there standards that clients and employers could look to, to gain assurance that the tax professional is competent – regardless of what the expectations are? What is the profile of a tax professional who stands out, and impresses his client or employer?

“THE QUESTION ONE SHOULD ASK IS WHETHER ONE CAN AFFORD NOT TO BE ACCREDITED TO STAND OUT FROM THE CROWD.” ~ DR ERNEST KAN, SIATP CHAIRMAN AND ICPAS PRESIDENT

THE ASSURANCE OF ACCREDITATION

With the setting-up of SIATP, tax professionals who are accredited have the right to use a professional designation that reflects that the individual has met a minimum requirement of relevant practical experience and/or recognised examination qualifications.

The value of accreditation is reiterated in initiatives like the Goods and Services Tax (GST) Assisted Compliance Assurance Programme, the Assisted Self-Help Kit (ASK) and schemes like the Import GST Deferment Scheme, where the reviews can only be signed off by an accredited tax professional in GST.

Unlike other professions where accreditation is compulsory, this is not the case for the tax profession. Some may then question the need for tax professionals to be accredited. On this note, Dr Ernest Kan, Chairman of SIATP and President of ICPAS, turns the table around and offers this perspective, “As more join the profession and with accreditation not being mandatory, the question one should then ask is whether one can afford *not* to be accredited to stand out from the crowd.”

GETTING TO THE TOP OF THE KNOWLEDGE CURVE

As the business climate changes, so too tax issues and policies. It is essential for tax professionals to not only be aware but also understand the implications of these changes in the sector they are involved in, so as to add value to their clients and employers, either in competent and accurate tax compliance procedures or analytical work.

To achieve this, there is a myriad of tax courses available for tax executives to develop a deeper understanding of the various tax issues, such as those organised by ICPAS and TA. These range from short, half-day workshops to structured programmes.

Employers and clients are more assured when they engage an accredited tax professional as there is a minimum number of Continuing Professional Education hours that the professional has to fulfil annually to maintain the accreditation.

To top it off, accredited tax professionals have the privilege of upgrading themselves at special rates, by as much as 50% off the course fees. In addition,



accredited tax professionals get priority at SIATP's technical discussions, where the facilitator and participants share their experiences and opinions on specific issues that may be complex in nature or may not have clear-cut answers. They then gain an edge over others as they have a deeper understanding of these issues.

A remark that consistently appears at the end of each SIATP technical discussion is "practical" – attesting to the value of such discussions. Another frequent feedback is that "The presentation was pitched at the right level and was not too basic."

STAYING AT THE TOP

To tip the scales, gaining knowledge is not just about being updated on the latest tax developments. In today's ever-competitive business environment, it is also about anticipating future developments; better yet, it is being in a position to contribute one's opinions and comments to shape the developments that will have an impact on the profession.

To this end, access to comments on draft government tax guides and opportunities to highlight tax issues to the authorities for consideration and review have been accorded to accredited tax professionals. The comments, issues and resulting actions are subsequently shared with fellow accredited tax professionals. The collective sum of knowledge gained through this 360-degree flow of communication puts accredited tax professionals ahead of tax specialists who are not accredited.

Opportunities are also available for accredited tax professionals with extensive experience to be involved in tax issues with the authorities at the highest level. The direct access, only available to accredited tax professionals, enables these tax professionals to gain an edge over other accredited tax specialists.

SINGAPORE INSTITUTE OF ACCREDITED TAX PROFESSIONALS

SIATP, through various Committees, represents the profession in engaging with the authorities on tax practices and application of tax laws. One such Committee is the Tax & Levies Committee. The accredited tax professionals in this Committee are:

- 1 Ms Latha Mathew, Ernst & Young Solutions LLP (also SIATP Board Member)
- 2 Ms Fang Fang, Singapore Telecommunications Limited
- 3 Mr Alan Lau, KPMG Advisory LLP
- 4 Mr Leung Yew Kwong, KPMG Advisory LLP
- 5 Mr Albert Ng, Foo Kon Tan Grant Thornton LLP
- 6 Mr David Sandison, PricewaterhouseCoopers Singapore
- 7 Mr See Jee Chang, Deloitte & Touche LLP
- 8 Ms Carol Sim, Samsung Asia Pte Ltd
- 9 Mr Tan Boen Eng, SIATP Board Member
- 10 Mr Yee Fook Hong, Ng, Lee & Associates (also SIATP Board Member)

CONCLUSION

The future is bright for tax professionals and many will be attracted to join the profession. This means tax professionals now have to work harder to stand out or be lost in the crowd.

Soon, being great at one's work may not quite make the cut. It is about standing out, and impressing clients and employers. To this end, a holistic industry approach has been mapped out for tax professionals to seize the opportunities to get ahead of competition. *Carpe diem!*

In the words of Robin Sharma, author of *The*

Monk Who Sold His Ferrari, "Be so ridiculously great at what you do that the world cannot help but give you an audience." Indeed, seize the opportunities and be a competent tax professional who is ridiculously great at it. **CPA**

For more information on how to stand out as a tax professional, visit www.siatp.org.sg.

This article was written by Joanna Wong, Senior Manager, Singapore Institute of Accredited Tax Professionals.

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