

## INDIRECT TAXES

# BrexitTPG – The Indirect Taxes Practice Group is going places

By Steve McCrindle

Scary yet exciting times: The UK has voted to leave the EU and nobody knows yet exactly when that will be. It is highly likely that the UK will keep VAT as a tax, but will it run a VAT system analogous with that of the EU's Principal VAT Directive or do its own thing? How will goods moving into and out of the UK be treated by the EU and UK respectively?

Similarly, the Indirect Taxes Practice Group (PG) left the security of being a sub-group of the ITPG and became wholly independent at the start of October last year. This was our BrexitTPG. Scary yet exciting times indeed.

Here is an account of what we, Steve McCrindle (Global Chair, Haines Watts, UK) and Toon Hasselman (Global Vice-Chair, Limes International, The Netherlands), been up to since the World Conference in Boston last October.

## European Conference, Warsaw, 21-24 April 2016

We ran a thought-provoking practical PG session at Warsaw, rather than a technical session. Indirect taxes were still the subject of discussion and there was still plenty of technical content, but we switched into practical mode; firstly by inviting a guest speaker along.

SMM Legal (Poland) introduced us to one of their clients, Dariusz Stolarczyk, Vice President of RUCH SA, which is also one of the biggest retailers in Poland. Dariusz painted a picture of RUCH's activities, and we discussed



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the synergies these had with indirect taxes and how they deal with associated issues. It is fair to say that indirect taxes are high on RUCH's risk management agenda and they outsource most of the resultant work; an opportunity for indirect tax specialists.

Richard Jahoda of Grinex (Czech Republic) delivered a presentation about compensation for late VAT refunds by revenue authorities around the world and Knut Einar Rishovd of Flattum & Co (Norway) walked us through some of the practical VAT issues he and his clients have encountered over the years, some of which revealed how the practical and logical approach to life can cost unsuspecting people lots of Norwegian Kroner in lost VAT. Who would have thought that a staple would prove so expensive? This was definitely a thought provoking and practical presentation.

A couple of creases are in need ironing out, but the feedback after the session was predominantly positive about the new approach and a couple of at-

tendees who don't normally attend the PG sessions said that they would in future. Dariusz was very impressed by the whole thing and we are keeping in touch. It seems to work!

## Our aims

In brief, we are on a mission to build an active Indirect Taxes PG of substance that is truly global and produces quality work opportunities and referrals for participating GGI members. We are looking to create a fantastic mix of work and pleasure, and are focused on enabling effective communication between our members.

To achieve this we identified three key building blocks:

- Appropriate structure
- Great activities
- Effective communication

## Structure

The Global Chair and Vice-Chair will run the globally focused PG.

We intend to copy the very successful ITPG structure, which will entail adding a regional presence of Chair and Vice-Chair(s) for each of the five GGI regions: Asia-Pacific, Europe, MEA, North America and South America. These anchors will give us a truly global reach, and the chance to develop regional and local support.

We have our Europe structure in place, with Toon Hasselman as Chair, and Raluca Tutu (Mirus Group, Romania) and Andrea Angheloddu (Comma 10, Italy) as Vice-Chairs.

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We have started building the North American structure and are pleased to announce that Pablo Garciga (Funaro & Co, USA) has agreed to assist us there.

In the run-up to the World Conference in Bangkok, we have started to focus on building the Asia-Pacific presence.

As a deviation from the ITPG structure, we are also in the process of creating an Editorial Board. This board will be responsible for producing or editing all technical content for the PG, whether for onward submission for GGI publications, presentations at GGI or ITPG events, or internal technical communications within the PG. This is not a GGI appointment and the Chair of the Editorial Board will only be responsible to the PG's Global Chair and Vice-Chair. We hope that indirect tax specialists from across the five regions will sign up as board members and we are seeking these specialists right now. It is not essential to be a regular attendee at GGI events.

## Activity

With the global and regional structures taking shape, we also need to scale up activity.

We already run Indirect Taxes PG sessions at the ITPG Winter Conference, European Conference and World Conference, and note that there is sometimes an element of relevant activity at other conferences. However, we would like to see PG sessions at all regional conferences. We would like to hear from anyone, whether an indirect tax specialist or not, who would like to participate in these events, whether to give a pre-

GGI member firm

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sentation or simply as an attendee. The more the merrier! PG activity will only gain momentum if GGI members attend these sessions, as this will allow business relationships to develop and work referrals to be made, etc.

When we have enough members, we will also seek to run technical workshops at GGI and possibly ITPG events.

## Communication

In the past, we have relied on PG sessions at conferences, some articles in GGI publications and infrequent emails to PG members, but we now need to upscale our communication. This does not just apply to how we communicate, but also to how often we do so.

We are, as mentioned, creating an Editorial Board which will be responsible for all technical communications.

## This article is just the beginning

Ideally we would like to create a bi-monthly Newsletter for PG members. Similarly, we would like to introduce an Annual Newsletter where members can present their technical knowledge, war stories, etc. Once fully established, the Editorial Board will produce these newsletters.

We are also looking at developing our own website, as a central platform to

create a worldwide indirect tax community, were we can all meet and exchange information and knowledge.

## Aspley Where?

Toon and I met up in June in Aspley Guise, a lovely, quintessential British village in the Home Counties surrounding London, which was until recently a venue for the British Golf Open. The purpose of this meeting was to take stock of how the PG has developed since Brexit, what needs tweaking or pushing and the next steps to take. We also discussed our agenda for the World Conference in Thailand. Also, situated conveniently next door to the hotel where Toon was staying, we discovered an excellent Thai restaurant. So, as you can see, preparations are well underway for the World Conference!

It would be really great to hear from anyone interested in assisting, whether as a Regional Chair or Vice-Chair, Editorial Board Chair or simply as an active member and/or technical specialist, or even a contact/contributor in any region. The candidates for the first two roles do not have to be an indirect tax specialist.

Come and help us build a PG of substance. We have some scary but exciting times ahead for our practice group! Please do not hesitate to contact us at: [smccrindle@hwca.com](mailto:smccrindle@hwca.com) or [toon@limes-int.com](mailto:toon@limes-int.com).