

PCER GUIDANCE NOTES

Taxation

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Unit PC21 – Tax computations and assessment

This unit is concerned with preparing computations of taxable amounts and tax liabilities on behalf of individual or corporate clients in accordance with current legal requirements.

Element reference	Demonstrated behaviour and examples
Element 49 Compute the tax payable	Collect all relevant information and related supporting documents for the preparation of tax computations Calculation of tax payable for individuals, single companies, groups or other entities Explain the tax calculations and the resulting tax position to clients Prepare calculations and returns that comply with current legal requirements Retain working papers on file for the required statutory period

Unit PC22 – Tax compliance and verification

This unit is about tax compliance for individuals and/or entities including submitting tax returns to the appropriate authorities in an appropriate and timely manner. It also involves providing advice to clients on tax liabilities and payments requiring you to negotiate with the tax authorities on behalf of your client.

Element reference	Demonstrated behaviour and examples
Element 50 Provide advice on tax liabilities and payments and carry out compliance activities	Ensure timely submission of all relevant tax returns and information to the tax authorities within the required time limits Inform clients of their tax liabilities (corporation and personal) and explaining any issues arising Provide written and oral advice interpreting the effect of current legislation and case law Record details of advice given Ensure that clients fully understand the advice given Respond effectively to any queries resulting from the advice given, appeals/objections raised or negotiated matters
Element 51 Negotiate with the tax authorities on behalf of clients	Liaise with the tax authorities on routine or specific tax matters/enquiries Correspond in writing or conduct face to face negotiations, with both clients and tax authorities Negotiate with the tax authorities on behalf of clients Keep clients informed of relevant tax matters and of negotiations with the tax authorities Agree final settlement of tax position, including payment schedule and interest payable Attend investigations

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Unit PC23 – Tax planning and advice

This unit is concerned with advising clients on the mitigation and deferral of tax liabilities through the use of legitimate tax planning measures. It involves making provision for tax liabilities, assessing changes that tax laws may have on individuals and companies and providing long term tax planning services.

Element reference	Demonstrated behaviour and examples
Element 52 Provide advice on current and future tax planning	<ul style="list-style-type: none">Inform clients promptly of any relevant changes in tax laws or requirementsAdvise clients of all potentially relevant tax saving opportunities and strategiesAdvise clients on the tax implications of proposed transactions and business activitiesAdvise clients on ways to optimise the timing of activities/transactions to achieve the best possible tax positionCompare the effect of changes in tax rates on clients' tax liabilities and advising on any action required by clients to optimise their tax positionCalculate the future tax payable (including any deferred tax provision) and advise clients of the cash flow effects
Element 53 Provide advice about the tax implications of externally or internally initiated changes	<ul style="list-style-type: none">Have a working knowledge of clients' businessesAscertain clients' short-term and long-term aims and objectivesDiscuss any changes or developments with clients to identify any relevant tax implicationsAdvise clients on the impact that potential changes will have on their tax position.Discuss with clients when to obtain a second opinion or specialist knowledge where the advice requires complex interpretation and judgment