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FiscalReps to highlight IPT compliance pitfalls through International Forum programme

Leading tax compliance consultancy FiscalReps is warning that, despite changes to insurance premium tax (IPT) compliance requirements designed to simplify procedures by creating a level playing field, IPT remains a major challenge for insurers throughout the European Union (EU).

FiscalReps' chief executive Mike Stalley is urging insurers to beware the complexities of IPT, warning that non-compliance can lead to financial penalties and reputational damage. He will discuss the current position – and solutions to ensure compliance – in a series of free FiscalReps Forums for insurance professionals in Gibraltar, Dublin and Malta during April and May 2011.

Stalley says: "The key trends are governments' increasing focus on IPT as a source of revenue, and the EU-inspired abolition of compulsory local fiscal representation.

"The recent rises in IPT rates in the UK and the Netherlands are likely to be followed by other governments struggling to balance their budgets. With insurance compulsory in many fields and virtually essential in others, tax on premiums is 'easy money' for revenue authorities, especially in today's difficult economic climate. Revenue authorities across Europe are becoming increasingly vigilant and, as a result, compliance failures are more likely to be spotted – and penalised.

"The need to appoint a local fiscal representative in each jurisdiction has often been regarded as an unnecessary burden to tax compliance, and the European Commission now considers it a breach of EU competition legislation. The UK, Belgium, France, Italy and the Netherlands have already dropped the requirement for IPT payment through local fiscal representatives, and other countries are expected to follow."

However, Stalley says the current position is deceptive because it gives the impression insurers can safely avoid local fiscal representation where no longer a legal requirement. "IPT is extremely complex, and specialist assistance based on expert local knowledge is vital for achieving trouble-free compliance in every jurisdiction. Alternative arrangements, with potential risks of compliance failure, could prove costly and damaging to an insurer."

In addition to a detailed update on all the latest EU IPT legislative changes, Stalley will share with delegates to the FiscalReps Forums (Gibraltar April 7; Dublin April 18; Malta May 10) his views on what the future may hold for IPT compliance within the EU.

Furthermore, Professor Joe Bannister, the chairman of the Maltese Financial Services Authority, will be a keynote speaker at the event in Malta.

The programme includes networking opportunities, refreshments and optional demonstrations of FiscalReps' online software applications taxbox™ and taxDNATM. The FiscalReps team will be available throughout the day for private consultations.

Spaces are limited. To book, contact Ronnie Wrixon on: +44 (0)20 7663 5672 or email at: Ronnie.Wrixon@fiscalreps.com.

Ends

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NOTES TO EDITORS

About FiscalReps

FiscalReps is an independent consultancy that helps insurance businesses to comply with insurance premium tax (IPT) and parafiscal taxes internationally. The company is the European market leader, with a client list that includes many top insurers, brokers and corporate captive owners. Further information is available at: www.fiscalreps.com.