

Professional Conduct in Relation to Taxation (PCRT)

Guidance

What is Professional Conduct in Relation to Taxation (PCRT)?

Professional Conduct in Relation to Taxation (PCRT) is a document that has been produced by seven professional bodies, to give specific guidance to their members on how they should act when involved in tax work. PCRT puts the bodies' fundamental ethical principles into context for the situations that arise when a member is involved in tax planning and tax compliance work.

The seven bodies which issue PCRT are –

- The Association of Accounting Technicians (AAT)
- The Association of Chartered Certified Accountants (ACCA)
- The Association of Taxation Technicians (ATT)
- The Chartered Institute of Taxation (CIOT)
- The Institute of Chartered Accountants in England and Wales (ICAEW)
- The Institute of Chartered Accountants of Scotland (ICAS)
- The Society of Trust and Estate Practitioners (STEP)

Where can I find it?

PCRT is available [online](#).

How long has it been in existence?

The first edition of the guidance was published in November 1995. Since then the guidance has been updated on a regular basis.

Who follows it?

The guidance is followed by all members of the seven co-author bodies dealing with tax whether in practice or in business. In addition, many other bodies and non-member professional firms also adopt it as best practice.

What is its status?

IFA expects its members to maintain the highest standards of practice and professional conduct. The guidance is designed to help members maintain high standards and forms part of our wider regulations and guidance. The PCRT itself is based on the five fundamental ethical principles that all tax advisers are expected to follow – namely integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour. It reinforces in a tax context existing overarching guidance and standards expected.

Is this just guidance or a requirement on members?

Members are required to comply with [IFA's Bye-laws, regulations and guidance](#) which includes the PCRT. Complaints alleging non-compliance can be made [to IFA's disciplinary case manager](#).

What is changing?

Professional Conduct in Relation to Taxation (PCRT) is being updated with effect from 1 January 2026 to ensure it is consistent with international standards. This includes new paragraphs on dealing with third parties and disagreements with clients.

PCRT is prepared jointly by seven professional bodies and associations whose members work in tax. It consists of the fundamental principles and the standards for tax planning. IFA members working in tax must be familiar with and comply with PCRT; failure to do so may result in disciplinary action.

PCRT has been in existence for over 30 years and is regularly updated.

Why is PCRT changing?

In April 2024, the International Ethics Standards Board for Accountants (IESBA) issued Revisions to the Code Addressing Tax Planning and Related Services. Four members of the PCRT group are members of the International Federation of Accountants (IFAC). Under the IFAC membership rules, members must adopt revisions published by IESBA into their individual ethical codes.

To ensure that PCRT retains its pan-professional body standing in the UK, the PCRT group agreed to update PCRT to maintain alignment between the ethical codes of the IFAC bodies and PCRT.

What's changing?

PCRT is wider in scope than the IESBA revisions as it applies to all tax work. The IESBA revisions are limited to tax planning and related services.

The primary changes are to ensure that the regulatory ('R') paragraphs from the IESBA tax planning revisions are reflected in the PCRT standards for tax planning. However, changes have also been made to reflect updates to the fundamental principles since the last revision to PCRT.

Otherwise, the latest changes include:

- explaining the circumstances in which a member should disclose the nature of their relationship with a third-party provider of tax planning services to their client (paragraphs 2.7 and 2.8);
- clarifying that PCRT applies where a member is engaged to provide a second opinion on a tax planning arrangement (paragraph 2.15); and
- setting out the actions a member should take where they disagree that a tax planning arrangement that a client would like to pursue has a credible basis (paragraphs 3.8-3.10).

The changes take effect from 1 January 2026.

Practical implications

The structure of PCRT remains unchanged and still consists of the five Fundamental Principles and the five Standards for Tax Planning. Members following PCRT should not find that the revisions present significant extra burdens when providing tax advice.

Future developments

The PCRT group continues to work on topical guidance on research and development, AI and Making Tax Digital for income tax. Once that work is completed, the group will turn its attention to revising the help sheets that accompany PCRT.