



MALAYSIAN INSTITUTE
OF ACCOUNTANTS

Surat Pekeliling
Untuk Profesion Perakaunan

Circular No. 48/2024

28 October 2024

TO ALL ACCOUNTANTS

ADOPTION OF THE LATEST REVISIONS TO THE CODE OF ETHICS ADDRESSING TAX PLANNING AND RELATED SERVICES

The Council of the Institute has recently approved the revisions to Part A of the *MIA By-Laws (on Professional Ethics, Conduct and Practice)* incorporating the revisions to the *International Code of Ethics for Professional Accountants (Including International Independence Standards)* (the Code).

Revisions to the Code Addressing Tax Planning and Related Services

The International Ethics Standards Board for Accountants (IESBA) issued a final pronouncement on the revisions to the Code addressing tax planning and related services. The revisions establish a clear framework of expected behaviours and ethics provisions for use by all professional accountants and respond to public interest concerns about tax avoidance and the role played by consultants in light of revelations in recent years such as the Paradise and Pandora Papers.

Moving away from a purely mechanical and legalistic approach, the goal of the standards is to provide a principles-based framework and a global ethical benchmark applicable to tax planning services and activities. This will establish a consistent point of reference for all professional accountants, as well as other tax professionals who are strongly encouraged to use the standards, when dealing with tax planning, to ensure due consideration of public interest as well as potential reputational, commercial, and wider economic consequences for their clients or employing organizations.

These standards are especially relevant in the context of rising public scrutiny of tax avoidance schemes which can harm companies' credibility and corporate reputation, as well as risking litigation and harming the public interest. Responding to increased public interest concerns, the fundamental goal of these standards is to ensure an ethical, credible basis for advising on tax planning arrangements, thereby restoring public and institutional trust on a topic that is core to the social contract between corporations and the market which supports them.

The revisions will be effective beginning after **30 June 2025**. For tax planning services or activities commenced before the effective date, such services or activities may be continued and be completed under the extant provisions of the Code.

Members who are interested to read the IESBA's final pronouncement with the track changes to the extant version can download it at this [LINK](#).



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The By-laws have been updated with these latest changes and members will be informed when the updated version of By-laws is available for access.

Please be guided accordingly.

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Chief Executive Officer