

## **It's true - we are working on a Code of Conduct for tax**

Word has leaked that the [Tax Justice Network](#) is working on a draft Code of Conduct for Taxation. As [Finance Director](#) put it:

The Tax Justice Network, a coalition of researchers and activists concerned about tax avoidance, is developing a code of conduct on business taxation. "Our objective is to look at how good practice could be codified," says Richard Murphy, senior policy adviser to the Tax Justice Network. "It's a vision document."

The code is aimed at taxpayers, agents and governments. "From companies we are asking for a change of approach to tax management," Murphy says. "We are quite unhappy with the existing language - tax avoidance, evasion... If you are avoiding the law, and that is the implicit assumption of avoidance, you are not acting as a good corporate citizen. If you will avoid as much as possible, you cannot reconcile that with a CSR [corporate social responsibility] statement."

We believe in tax compliance - you pay the right amount of tax but no more, in the right place, at the right time. We are saying tax avoidance is trying to work around the rules of the game and tax evasion is trying to break the rules of the game.

The code is a manifesto for the way tax could be managed better, from an entirely different perspective, which believes tax is the core element of corporate responsibility for a company. It's the payment you make for the license to operate. It's the quid pro quo."

To be candid, I'm working on this Code, which is currently being expert reviewed. Publication is planned within a couple of months. The work has been sponsored by [AABA](#), and the objective is simple. We believe a better world of tax management is possible, and we want to stimulate debate on how.

I was pleased as a result that Finance Director matched my comments with those from PWC, KPMG and Deloitte's (which are worth reading). They are an essential part of this debate. PWC have, to their credit, been willing to tackle this with us face-to-face. Would the others like to do so?

Richard Murphy