



TAX-DODGING

Haven sent



Fresh from its record fine for serial tax fraud in the US and facing increasing hostility to tax avoidance over here, KPMG is leading Britain's beancounters in the effort to appear responsible.

Giving the Institute of Chartered Accountant's annual lecture last month, KPMG's head of tax Loughlin Hickey made an emotional appeal for trust between his profession and tax authorities.

But challenged by Richard Murphy of the **Tax Justice Network** to engender some of it by shutting down his firm's tax haven operations, Hickey could only splutter: "I am proud that KPMG is in those territories [eg Cayman, Bermuda] . . . quite frankly if principled firms like ourselves are not in these territories we don't aid them."

He was too modest to mention his firm's huge fees from inventing tax haven scams such as the VAT dodge using Jersey companies that was exposed in court last year. Even KPMG, under Hickey's "principled" leadership, acknowledged that the scheme would be viewed as "unacceptable tax avoidance" – but flogged it anyway.

