



## **Setting up a tax practice**

### **A useful guide**

#### **9. Insurance**

The main category of insurance under this heading is professional indemnity insurance whereby protection is available against your legal exposure for losses suffered by your clients as a result of negligent advice. Brokers will ask a number of questions in determining the cost of professional indemnity and some of these questions may include:

- 1 The number of years experience that you have
- 2 The likely fees to be generated in year one
- 3 The percentage split of fees between tax consultancy, tax compliance and mergers, acquisitions and disposals etc.
- 4 Whether you will be authorised to provide investment or financial services advice
- 5 Whether you will subcontract work and if contractors will have their own insurance
- 6 What form of contract will you use with clients
- 7 What limits of indemnity are required and the excess that you are prepared to carry

Depending on your circumstances, other insurance cover that may be required might include:

- 1 Employer liability insurance
- 2 Public liability insurance
- 3 Property and contents insurance
- 4 Keyman insurance
- 5 Income protection
- 6 Directors' and officers' insurance

ITI has agreed terms with one Insurance provider ERM Financial Services, 7 St. James' Terrace, Malahide, Co. Dublin, tel: +353 1 8454361.

However, anyone establishing themselves in practice should check alternative suppliers for the most suitable arrangements and prices.