

KPMG, reputation and tax avoidance

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Accountancy Age's lead story this morning says that the symposium they held, to which I have [referred several times](#) on this blog, concluded that "tax avoidance does not damage corporate reputations and may even enhance them".

Excuse me? Is this the same firm that was "[believed to have earned as much as \\$124 million in fees from its tax shelters](#)" as a result of which "[the Justice Dept. won a landmark tax-shelter case](#) when accounting giant KPMG admitted to criminal tax fraud and agreed to pay \$456 million in penalties. The government will defer prosecution and drop the case after Dec. 31, 2006, if KPMG stays out of the shelter business and cooperates with prosecutors in related cases."

I'm sure, of course, that such findings did the firm no harm at all. Nor did they, I am sure, do any harm to the profession of accountancy as a whole, which [rates really well](#) with the public in recent polls.

Or could it just be that maybe, just maybe, KPMG should ask someone other than their friends who benefit from the schemes they sell before coming to their conclusions? Because that's exactly what they did by stacking the symposium they organised with people from large business.

I am, by the way, still [awaiting their call](#). Funny that, since their tax head honcho, Loughlin Hickey, knows just where I am.

PS I'm aware that a KPMG spokeswoman said that the comments reported by Accountancy Age were not its view.

Now please pull the other one.