

ICI VIEWPOINTS

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Three Key Lessons from the 2023 Tax and Accounting Conference

By ICI Strategic Communications

ICI brought together nearly 600 tax and accounting professionals from September 17–20 for the 2023 Tax and Accounting Conference, hosted in San Antonio, Texas. This annual event educates attendees on the latest trends and information their firms need to succeed in the asset management industry.

Take a look at our top three takeaways from this year's conference:

1. The future of work is coming, and the industry must be ready to evolve

From artificial intelligence to enhanced data practices, we've entered a new era of asset management. It's now on the industry to be prepared to meet this new age of exciting growth.

Keynote speaker Dr. Shawn DuBravac gave a glimpse into the future of technology by emphasizing how data evolution is making forecasting cheap. "It isn't the first order of facts or the adoption of the technology. It's when we start to see the explosion of that resource. The abundance of that resource. Behavior changes because we're able to deploy it widely," shared Dr. DuBravac.

To prepare for this evolution and be ready to meet the needs of stakeholders, Dr. DuBravac told attendees they should begin to build frameworks for how their organizations plan to use technology in the future.

The importance of data and adopting new, modern processes was echoed in a panel featuring several industry leaders who actively lead their organizations into the future. Amanda Nelson, Principal at Deloitte, said that "In an environment where we're expected to do more with less, we're seeing the industry is embracing technology more."

Tracey Keevan, Tax Partner at PwC, reminded attendees that while they embrace technology, "A barrier that people run into is not thinking of technology holistically; they don't think it through to execution and management process."

Through this holistic lens, organizations must begin rethinking processes and workflows to prepare for the future.



2. Firms must keep up with the rapid pace of regulations

While industry must adapt to the rapid evolution of technology, it also must keep pace with the vast growth of federal regulations. Gary Casagrande, Head of US Fund Administration at Northern Trust, reminded attendees of this during a panel on the future of the industry. While organizations are working to reduce costs through new technology, Casagrande emphasized that "We can't forget how we react to the regulators; it's about doing that in a world with ever-changing pressure from a regulatory perspective."

The theme of keeping up with government regulations was reiterated throughout the entirety of the conference. With a slew of proposed and final rules from the Securities and Exchange Commission (SEC), organizations have their work cut out for them to monitor, prepare for, and comply with new regulations.

In a panel featuring Sarah ten Siethoff, Deputy Director of the SEC's Division of Investment Management, asset management leaders raised their concerns with several of the agency's proposed rules, namely the swing pricing and liquidity risk management mandates. Maria Gattuso, Principal at Deloitte, emphasized that "Swing Pricing for open-end funds would be highly impactful. The US is not operationally equipped to handle swing pricing...It is just going to have unintended consequences."

Additional drastic changes for the industry, such as the new requirements for tailored shareholder reports, were discussed in a panel moderated by ICI's Jason Nagler. Industry and government leaders, including the SEC's Branch Chief, Division of Investment Management, Catalina Jaime, conveyed practical advice on how companies can best adapt and comply with the new requirements for creating these streamlined reports for retail investors.

With so many rules and regulations to keep up with, Bruce Traff of Deloitte, viewed it as an educational opportunity for staff. When preparing for any new rules, Traff said that "You're building your organization for the future. It's not just about preparing for final rulemakings. If you can get more junior staff involved in the regulatory process, it's a great opportunity to develop them for the future."



3. Companies must take a global view of their work

It's not just US regulations that industry must track and manage. With our interconnected world, companies must prepare for how global governments could impact their day-to-day operations. With two panels specifically focused on global tax issues, attendees were privy to discussions around current issues, such as global regulated investment company compliance and tax accounting and reporting, international tax trends, and what to expect from the European Union and other governments.

The Tax and Accounting Conference is an important moment in time for the industry to reflect on current trending topics and prepare for the future. We look forward to seeing you next September in Boca Raton, Florida!



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