

TAXJUSTICE.UK

Detailed policy recommendations from Tax Justice UK

June 2020

Sixteen progressive groups have signed a [statement](#) calling for tax reform to support a fairer, and greener, future post-covid. The following provides more detail on the high level recommendations above. It is a list of changes that Tax Justice UK believes that the UK government should implement.

No bailouts for tax dodgers:

- Companies receiving major bailouts should publish a binding tax policy that explicitly avoids tax avoidance and the artificial use of tax havens, and commits to the declaration of profits in the place where their economic substance arises.
- Ensure that companies getting bailouts publish the consolidated annual profit & loss of the parent company, together with details of associated corporation tax payments. Multinational enterprises should disclose this on a country-by-country basis.
- Make clear who are the ultimate beneficial owners of businesses getting bailouts.

Tax companies properly:

- Carry out a cost / benefit analysis of all corporate tax reliefs and end those that are found to be inefficient or badly targeted.
- Raise the UK corporate tax rate to at least 25%.
- Require multinational companies to publish their accounts on a country-by-country basis.

Tax wealth more:

- Equalise capital gains and dividend tax rates with income tax rates.
- Replace council tax with a proportional property tax and replace business rates with a land value tax.
- Introduce a flat rate of pension tax relief and reduce the tax free lump sum that can be taken on retirement.
- Explore the possibility of introducing a wealth tax.

Stop undermining the tax systems of other countries:

- Carry out an assessment of how elements of the UK tax system undermines the tax system of other countries. Reform elements of the tax system that are found to do so.
- Ensure that the UK Overseas Territories and Crown Dependencies publish registers of beneficial ownership of companies and trusts.

Enforce the rules:

- Properly resource HMRC, including by dramatically scaling up the number of targeted audits that HMRC carries out.
- Ensure that Companies House is properly funded and operates as a proper regulator of UK companies, including ensuring that they are providing accurate information to Companies House.

- Ensure greater transparency of HMRC tax avoidance settlements.
- Carry out full equality impact assessments for all tax policy changes to ensure they are progressive and fair.