

Death of the Honest Corporate Tax Reporting Act

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OK, it's probably only California that could have thought of an Honest Corporate Tax Reporting Act. But it's a great idea because it required companies to reconcile their accounting and taxable profits. The logic is simple. Some companies (starting with Enron, but as [my research](#) shows, including most companies in the UK FTSE) pay tax on lower profits than they declare to their shareholders. There is risk in this for shareholders, as is discussed in further work I have done for [Publish What You Pay](#).

So what has happened to this laudable Act? Why, Republican Governor [Schwarzenegger has killed it](#). That's what's happened. Never for one minute doubt that government can be on the side of the tax avoiders is the moral of the story.