

# The day of the tax haven is over

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Larry Elliott [discusses](#) tax abusing UK corporations in the Guardian this morning. It's good. I'd say that even if he wasn't a Green New Deal colleague and it ended with the following:

*The answer ... would, of course, be international cooperation to clamp down on the activities of tax havens - something Britain has also dragged its feet on.*

*This position looks far less tenable than it once did. For one thing, Barack Obama is a lot keener on taking on tax havens than his predecessor. For another, the Treasury could do with the money it is losing in avoidance. Finally, action against tax havens is now much easier given the financial support the government has provided for the UK banking system. As Richard Murphy, the tax campaigner, has pointed out, when there was a tax amnesty for Jersey, Guernsey and the Isle of Man in 2007, it was found that all those covered were customers of the five leading high street banks, and that not one of the five had done anything to bring the evaders' actions to the attention of HMRC.*

*The price for taxpayer cash is that UK banks close down their tax haven operations at once and that they repatriate their offshore profits so that they are subject to UK tax. This would be the first shot in closing down these secretive jurisdictions, which not only deprive nation states of revenue but also hinder tougher supervision of the financial sector by offering what Murphy calls a get-out-of- regulation-free card.*

*Ultimately, the relative ease with which companies can wriggle out of paying tax is a manifestation of a world in which business has gone global but regulation and supervision have remained local. The current crisis provides the first opportunity in 30 years to redress the imbalance.*

We have to grab it.

Thankfully at [least some at the G20](#) get it.