

The domicile rule is racist

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I was on the Politics Show on BBC1 yesterday countering arguments that a combination of the 50% income tax rate and the changes to the domicile rule will undermine the competitiveness of the City of London.

This is not exactly hard to do. Let's be honest — any so called entrepreneur who a) thinks tax is sufficient reason to change business location and b) thinks paying a fair contribution back to society for the opportunity to make considerable profit is not an entrepreneur at all. They're either a) a wealth preserver — which is an entirely different mindset and from a completely different stage of the wealth cycle or b) so lacking in empathy that they have no chance of understanding the need of customers and so is almost bound to fail in business. I made those points, I think. Of course — individual bankers can think these things — but then they are neither entrepreneurs or in business: nor is there evidence they add value to society so that is another issue, and I did not have time to make that point.

But I also said the domicile rule was racist and blatantly discriminatory, partly in response to Digby Jones who supported it, he said as a matter of principle. I have been challenged since doing the broadcast to say why it is racist. I did so because I am entirely convinced that the domicile rule contravenes the UK Race Relations Act as amended in 2003 because it blatantly discriminates on the grounds of national origin — and under that Act this is illegal. Using the criteria that something that contravenes the Race Relations Act is racist I think my use of language correct. My [full argument is here](#).

But whichever way you look at it Digby Jones is wrong. Not paying tax is not a principle — it is an abuse.