

The Isle of Man has now lost all the subsidy I said it ...

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When I first looked at the subsidy the UK gave to the Isle of Man through its VAT sharing agreement I came to the conclusion that the sum involved exceeded £200 million a year.

In 2009 the UK government removed £140 million of that subsidy a year.

Yesterday they announced intention to increase the withdrawal if subsidy to a total of £215 million a year — very close to the sum I first calculated.

Justice has been done, I am pleased to say. A subsidy to an island that did not need it so that it could undermine the effectiveness of the operation of the UK's tax system has been removed. This move does not in any way impact on the fiscal status of the Isle of Man but it does require that it raise its own revenue to pay for its own government in future if it insists on pursuing its wholly unacceptable taxation policies.

I am pleased.

I am also pleased to have been credited (by the Isle of Man government) with playing a part in this.

And I am pleased that, yet again, my estimates have been proven remarkably accurate.

On which basis I continue to forecast that the resulting economic crisis for the Isle of Man will force it, like Jersey and Guernsey to radically overhaul their economic policies and their tax haven status sooner rather than later.

And that's the best news of all for the UK, our economy and in due course for these islands and the people who really want to live in them rather than to abuse them.