

The Telegraph on the UK ending the VAT subsidy to the I...

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There's [excellent coverage in the Telegraph](#) on this issue this morning.

I admit I am quoted extensively saying:

"I know this is a massive problem for the Isle of Man, but it has been a long time coming and I don't apologise for it.

"Why should the UK taxpayer subsidise the Isle of Man so that it can operate a tax haven and offer a standard rate of income tax of 10 per cent, a top rate of 18 per cent and a cap on total tax paid?

"It does not need a zero per cent corporation tax. It could charge capital gains tax. It could charge inheritance tax. All of these are choices: bad choices.

"Today's ruling means they will now have to collect tax, change their tax regime and attract real business and tourism.

"It also raises another question: how long can these crown dependencies last? Jersey, Guernsey and the Isle of Man all have holes in their budget, their tax regimes aren't viable and very soon they will have to apply to the UK or EU for inclusion."

I note Anne Craine, the Minister responsible for this issue in Douglas said:

"There will be those who say that [the Manx] government has not fought hard enough, that we should have refused to accept any revision of the Revenue Sharing Arrangement, or that more robust political lobbying in the UK could have improved our position.

"To those I would say, the Isle of Man government has negotiated robustly in a much harsher economic and financial world than most people on the island have experienced. The world has changed; we have to get real.

I agree.

Now accept that I've been right all along and begin to adopt a post-tax haven plan for the Isle of Man.