

The small business tax gap is huge - according to a sma...

Published: January 12, 2026, 10:59 pm

This comment [on the blog today is worth repeating](#):

Well I am a big supporter of smaller businesses, but some proprietors just refuse to pay their tax, even though the profit have been artificially reduced. Usually these people have a very hard attitude towards crime, benefits and the poor. How do I know this? Well, Richard isn't the only qualified accountant that wants social justice. (Note that it isn't me that has reduced the profits!).

[As is this response](#):

@ Martin

Even more reason to increase staffing at HM Revenue and Customs — one of Richard's favourite topics! Some people (after fiddling their books to show artificially low profits) want their dust bins emptying, a health service, the fire brigade and police without contributing towards them: and then make hypocritical and derogatory comments about the performance of these services.

Stop this by making their accountants “shop” them which in turn will help the HMRC to fine them. Regularly and heavily.

I am sure the accountant who wrote is absolutely right: there are large numbers of corrupt small businesses in the UK. [It's why the tax gap is much bigger than HMRC admit](#). It's also why David Gauke is grossly negligent to ignore my [warnings on the number of small companies being struck from the UK register of companies each year](#) - none of whom he says could possibly owe any tax, a claim which puts him firmly in box entitled 'naive, gullible and incompetent' unless the one marked 'wilfully turning a blind eye' applies instead. I'll publish more on this negligence on his part soon.

But now we're having a discussion on social responsibility will Gauke do anything about it? Don't bet on it.