

The UK's proposed GAAR - too weak, too limited, too avo...

Published: January 16, 2026, 4:32 pm

The UK government's consultation on a general anti-avoidance rule was launched yesterday.

Let me be clear: I want a general anti-avoidance rule. Even better, I want a general anti-avoidance principle. But that's not what this proposal is about. Even its author, Graham Aaranson, says the proposal is not for a GAAR.

And that issue is at the core of my objection to this proposal. What we're being presented with is a piece of sophistry. Something called a GAAR that is no such thing is being put forward as if it might be a serious obstacle to tax avoidance when it will tackle only a few schemes a year, at most, and will allow the vast majority of aggressive tax avoidance - the 'morally repugnant' activity to which George Osborne so recently referred - to continue unhindered despite it. Indeed, worse than that, because 99% of aggressive tax avoidance will not be affected those undertaking it will now argue that what they do is wholly acceptable.

This in that case is a proposal that is too weak, too limited and too tax avoider friendly.

I wholeheartedly agree with the TUC's comments [reported in the FT in that case](#):

The TUC said Treasury plans were a step in the right direction but would only tackle a tiny number of schemes. "We need far more robust reform if the government is serious about cracking down on those companies and individuals avoiding tax".

But I should add, I do advise the TUC on this issue.