

## The growth in the UK's inequality in one graph

Published: January 13, 2026, 6:35 pm

---

I've been analysing some HMRC data this afternoon. The [data in question is available here](#) and shows the shares of total income (before and after tax) for percentile groups, 1999-00 to 2012-13. I've ignored the data after 2010 as it is estimated and looks hopelessly incorrect. I've also compensated for the fact that HMRC still can't work out what happened in 2008-09 yet by using an average for the year either side, which I think a fair statistical technique.

Having done this it wasn't hard to produce the following graph:

The blue line represents the share of total taxable income in this country that the bottom 25% of taxpayers owe. The kick in the last year or so looks impressive, but is flattered by the fact that the personal allowance rose considerably from £5,225 to £6,475 between 2007-08 and 2009-10 - meaning a fair number of people on low incomes fell out of tax, sending the average upwards.

There's no such explanation needed for the ochre line: that's the share of total taxable income paid to the top 1% of income earners in the UK.

I've put in linear trend lines just in case of doubt about what is going on. Not only do the top 1% have considerably more than the bottom 25% of income earners in the UK, their income share has grown considerably and that of the bottom 25% has fallen.

If you want a graph of inequality that's it.