

# Companies that use tax havens should be banned from sup.

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This [came out in the FT a week ago](#), but what the heck, nothing's changed since then:

*Ministers are facing calls to launch an investigation into the tax affairs of companies that provide public services, amid concerns that sharp business practices may be harming taxpayers more than serving them.*

*Simon Hughes, the Liberal Democrat deputy leader, has joined forces with tax campaigners to call for a probe into government contractors that may be avoiding tax. Although many of these practices are widespread across the private sector, some MPs have said the government should use its purchasing power to encourage better behaviour from its larger suppliers.*

*Mr Hughes said: "I will be calling for ministers to undertake an urgent review into the tax affairs of its major contractors and suppliers. The government must use the power it has in awarding licences and procurement to make sure that companies behave like good corporate citizens and pay taxes."*

It's a policy I support. Indeed, as the FT noted:

*Richard Murphy, a tax campaigner, said: "The single biggest problem our government faces is not having enough tax revenue to fund essential spending.*

*"One obvious solution is to change the rules on government procurement. As a minimum, anyone offered a government contract must be able to show they'll pay tax on it in full in the UK and to make sure they do not use tax havens."*

Any sensible governemtn would now do this. But will ours?