

Michael Meacher MP discusses his Bill for a stronger UK...

Published: January 13, 2026, 3:26 pm

International Tax Review interviewed Michael Meacher following his presentation of his General Anti-Tax Avoidance Principle Bill in parliament last week. With their permission I [reproduce the article here](#):

On the same day the consultation closed on the government's general anti-abuse rule (GAAR), Labour Member of Parliament Michael Meacher tabled a private member's Bill for a much wider general anti-tax avoidance principle (GATAP).

Tax justice activists say the [GAAR](#) is too narrow and will only capture the most extreme and egregious cases of abuse, while letting most slip through the net.

[Meacher](#), former Minister of State for the Environment under Tony Blair, tabled his [GATAP Bill](#), written by activist accountant Richard Murphy, in Parliament on Friday to highlight this problem and to explore a much wider alternative to end tax avoidance.

"Fundamentally, my Bill will stop tax avoidance and the government's won't," Meacher told *International Tax Review* after he had read his Bill in the House of Commons. "The GAAR is extremely narrowly drawn so if it is used at all, only the most egregious cases of tax avoidance will be caught."

Meacher and the Association of Revenue & Customs, the union which represents senior officials at the UK tax authority, believe the real purpose of the [GAAR](#) *is not to counter tax avoidance, but to narrow its definition, making everything else ethically and technically acceptable because it is outside that narrow remit.*

"It actually is extending the boundaries of what is acceptable as legitimate tax avoidance," said Meacher.

The [UK GAAR](#) is intended to target artificial and abusive tax avoidance schemes which, because they are often complex and/or novel, could not have been contemplated directly when formulating the tax legislation.

However, this does not go far enough for tax justice campaigners, or for Meacher, who is championing their cause in Parliament.

“My Bill is much wider,” said Meacher. “The basic fundamental principle is that HM Revenue & Customs (HMRC) will be able to challenge any transaction where they believe the primary purpose is the artificial contrivance of avoiding tax rather than any genuine economic transaction.”

The GATAP covers a much wider range of taxes and avoidance methods than the GAAR too.

The GAAR does not see transferring income to capital as tax avoidance, which is frequently used,” said Meacher. “It is regarded as tax avoidance under my Bill. At the core of my Bill is an economic test: if, having taken account of all the relevant economic circumstances of the transaction, it is judged that tax is not being paid in terms of that transaction but a wholly different basis, then it can be challenged by HMRC.”

Conservatives opposed the Bill as being too wide, but Meacher does not believe this is the case because companies can challenge HMRC’s decision in court. Since HMRC does not wish to be seen to be making a foray against a company and then losing in the courts, Meacher believes the tax authority will have solid evidence before they make a challenge.

The Bill also encourages HMRC to publish its views about what transactions and structures are acceptable.

“It would publish anonymised rulings so there should be greater certainty,” said Meacher. “The aim is not just to have a wide net. It has to be in a manner that’s certain. If you have a tax arrangement and you’re still not quite sure by all the material put out by HMRC, the Bill proposes you can write to HMRC and ask if it’s acceptable or not.”

Taxpayers looking to take advantage of this service would be expected to pay £1000 (\$1,600) plus VAT, or 5% of the potential value of the arrangement, but Meacher stressed both would be less than what companies would have to pay an accountant or lawyer.

“This measure is vital,” commented Murphy. “It will raise significant tax revenue when that revenue is the scarcest commodity in the UK and public services are under threat as a result of it not being available.”

The Bill has also gained support from Public and Commercial Services Union general secretary Mark Serwotka.

“If this bill became law it would give our members who work for HMRC the tools they need to properly tackle the tax dodgers,” Serwotka said. “But the government must back this up with an immediate halt to its seriously damaging plans to cut a further

10,000 jobs from HMRC in the coming years."

Impact

While Meacher was afforded the rare opportunity to get the private members' Bill on the record, and while it had the good fortune of coming on the day the GAAR consultation closed and a day after he led a three hour debate on tax avoidance in the House of Commons, its immediate impact, given staunch government opposition, will be limited to awareness raising.

While poll trends suggest Labour is on course to win the next general election in 2015, two and a half years are a long time in politics and Labour has yet to draw up its main policy commitments. Meacher believes the time to do that is now.

"I am seeing (Labour party leader) Ed Miliband quite soon," said Meacher. "There are four or five things I want to raise with him and this is certainly one of them. I regard tax avoidance as a very big issue and I will certainly be doing my best to impress that on him."

Despite tax never being a part of Meacher's ministerial brief in the Blair government, the issue is one close to his heart and he will continue to press it for his next nine years in Parliament.

"If you look back to my earlier career, I have always been interested in income distribution and the huge injustice of massive inequality and the fact that's growing," he said.

Whether or not Meacher will be able to sway party policy remains to be seen, but he was encouraged by the level of the debate his Bill received. While it went along party lines, he said there was no "tribalistic mud slinging", and the Conservatives, far from saying Labour was too extreme, treated it as a legitimate issue.

"They're saying yes it is an issue, yes you should pay your taxes, but we don't quite agree on what tax avoidance is," said Meacher. "Compared with two or three years ago, that's a considerable advance."

Whatever happens, Meacher's Bill and the debate in Parliament will add momentum to the campaign for greater tax transparency and public pressure to crack down on avoidance.

"There are very good reasons why momentum started in this era of austerity, with the public fed up of hearing people are being paid telephone directory salaries and pay virtually no tax," said Meacher. "The seething anger is considerable."