

The reality of HMRC and the tax gap is they're losing b...

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As the [Guardian reports this morning](#):

The number of tax evasion cases being pursued by HM Revenue & Customs has fallen to its lowest level in five years.

Lawyers Pinsent Masons said the number of serious tax evasion cases — with more than £50,000 of suspected tax evasion — had fallen by a quarter in the past year. Meanwhile the number of raids undertaken in the 2011-12 tax year has risen to 499 from 196 in the 2010-11 tax year.

In 2011-12 there were 3,346 suspected tax avoidance cases, down from the 4,506 in 2010-11, according to data compiled by the law firm.

Definitions matter of course on just what a case is, but in this case so long as consistent definitions are used the message here is very loud and very clear: HMRC simply don't have the resources to do the job of tackling the tax gap. Some of [us have been saying so for some time](#).

In that light, [Danny Alexander's claim](#) he's cracking down because he's reallocating 100 tax inspectors to an "affluence unit" looks to be exactly what it is - a sham.

And the government's challenge to tax avoiders is shown to be utterly hollow. People have a right to be very angry about that.