

Corporate tax avoiders get away with it because HMRC is...

Published: January 12, 2026, 10:21 pm

Private Eye has scored another extraordinary scoop following all the commotion in Britain (and other countries) about corporations like Starbucks, Google and Amazon using tax havens to avoid paying taxes.

In a recent hearing the Public Accounts Committee (PAC) asked Edward Troup, a top official from the UK's HMRC how many multinationals had been taken to court for tax avoidance. He listed several technical disputes concerning duties (such as Value Added Tax) involving GlaxoSmithKline, Axa, Carlsberg, and Pendragon, and a Pay As You Earn (PAYE) avoidance scheme involving PA Holdings. However, The Eye comments:

"The staggering truth established by the Eye — to which HMRC refuses to respond despite half a dozen requests — is that of the thousands of major corporation tax ruses set up since 2004, not a single one has been taken to a tribunal or court! All have been settled through "light touch" compromise agreements, often in breach of the department's official policy and at immense cost to taxpayers."

The real point that emerged is a simple one: not a single case of tackling transfer pricing was taken. Not a single case. The use of the word 'staggering' here is, for once, justified, and possibly even understated. (Read [this article](#) about the capture of tax policy making by the UK by multinational corporations, and weep.)

There are three main ways to turn your country into a tax haven, from the perspective of corporate taxation. One, cut your tax rates. Two, create (and encourage) tricky tax loopholes. Three, don't enforce your laws. This astonishing revelation by the Eye - among other things, revealing how a senior tax official misled a public inquiry - just confirms the third, leg, if ever such confirmation were needed.

NB: A [longer version of this article](#) is to be found on the TJN blog, here. Reproduced with permission.