

Tax is on the agenda for 2013 and thereafter

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It's slightly annoying to find Nils Pratley has written pretty much the blog I was thinking of doing this morning when musing on the day ahead, and now I've read his I can't claim originality. So, what the heck, [I'll quote him instead](#).

His first point is important: he says that there is a difference between complying with the letter and the spirit of the law, which I've long argued. More than that, he obviously now thinks that this is now established as prevailing opinion

Starbucks was surprised by the anger that greeted the revelation that it has paid very little corporation tax in the UK in its 14 years of operation in the country. The company insisted, convincingly, that it has played by the tax rules. But in gifting £20m to the taxman it admitted, in effect, that legal and ethical behaviour are different things, at least in the public's mind.

His second point is where I was going next. It's this:

Just as Starbucks was ill-prepared for the new mood towards tax avoidance, so too is the government. The tax system, by treating multinationals so favourably, is the real villain. The public accounts committee told the government to "get a grip" on large corporations which generate significant income in the UK but pay little or no tax.

Does the government have a plan? The chancellor's autumn statement was full of warm words about clamping down on tax avoidance but it hardly amounted to a promise that the likes of Google and Amazon will pay more. The coalition's headache on this issue will intensify — anger over amoral corporations could easily be replaced by fury at government inaction.

This will be, I think, be a big issue in UK politics in 2013.

People now know that we're not all in it together. They know big business is not pulling its weight. They know pressure can be brought to bear on it. And they're going to expect that to happen.

I can't see the tax issue going away from now until May 2015, or thereafter come to that.