

## Corporate tax receipts are falling - but we're not gett...

Published: January 13, 2026, 2:45 am

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The [Institute for Fiscal Studies Green Budget](#) last week included the following chart:

I think it's a telling graph. As a result of deliberate UK government policy of cutting corporate tax receipts, whilst raising taxes elsewhere, and of cutting the UK corporate tax base by excluding all profits arising from outside the UK, the real level of corporate tax receipts is falling, as a share of tax revenues it is on a long term downward trend when the trend in corporate profits over the same period is markedly upwards and as a share of national income it will near enough halve since the late 1990s. contributing in the process to the massive increases in inequality in wealth and income over that period.

I stress: this is not chance. This is by design. The Tories can't blame all the fall in corporation tax receipts on tax avoidance; most of it they're just giving away during a period of austerity and at a time when Ernst & Young estimate large UK corporates have [more than £750 billion in cash on their balance sheets](#), meaning that they do not need tax cuts to provide the means to invest.

What this actually means is the corporate tax system is itself bankrupt. The answer according to the IFS is:

Yes, that's unitary taxation; the [same answer as the Tax Justice Network proposes](#).

For once we're on the same hymn sheet.

There's [more on all this here](#).