

Guernsey tax scheme costing the UK Â£100 million a ye...

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The [BBC has reported](#):

A tax loophole that allows firms to dodge £100m a year in National Insurance will be closed under a new scheme targeting offshore payroll services.

Chief Secretary to the Treasury Danny Alexander said the loophole allowed UK companies to avoid paying tax for thousands of workers.

Mr Alexander said British firms with British staff must pay British taxes.

He will announce the move in a speech to the Scottish Lib Dem conference.

Mr Alexander said around 100,000 employees - mostly teachers, nurses and oil and gas workers - were believed to be paid through offshore payroll services set up in tax havens such as Jersey and Guernsey and could be ineligible for statutory sick pay, but completely unaware of that status.

I was involved in reporting this abuse on Radio 5 earlier this year - revealing that much of it is supposedly based in Sark, for which Guernsey is responsible.

Guernsey's [claims that it is no longer a tax haven](#) ring very, very hollow. The evidence that it is deliberately creating laws that undermine the UK and which exacerbate poverty in this country is overwhelming. I rest my case.

In doing so I ask that it's co-defendant, Jersey, be found guilty of the same charge.