

The Lords say the OECD's international tax review is ov...

Published: January 13, 2026, 12:42 pm

In the [Lords report](#) on the [General Anti-Abuse Rule, out this morning](#), they note that the GAAR will have only limited impact on international tax planning (even though my specific views are noted). In that case they add:

The practice of arbitraging competing tax jurisdictions to minimise taxation must be dealt with by negotiation at the EU, OECD, G8 or G20 level. If this is not resolved by agreement, retaliation, double taxation and harm to the UK's competitive position could result. As part of these negotiations, the current OECD rules need to be reviewed comprehensively to bring them up to date with the working of the global economy and to align them more closely with the underlying economic substance of commercial and financial transactions.

This review clearly needs to be carried out as a matter of urgency; we were glad to hear that the UK has contributed additional resource to OECD to enable the review to go forward quickly. We recommend that it should be completed as rapidly as possible.

I could not agree more. I explain why in '[Over here and under-taxed](#)', available [here](#).

They also add a note of caution, which is correct:

In the meantime, we recommend that every effort should be made to communicate, particularly to the press and the public, why the GAAR is not an appropriate mechanism to address all problems with the tax system. In particular, that communication should focus on those issues, such as the taxation of multinational groups, where the widely held perception seems to be that the GAAR provides the answer, whereas it is clear that it does not.

For that we'd have needed a [general anti-avoidance principle](#) - and we haven't got one, yet.