We don't need a new tax on cash on balance sheets - we ...

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The FT notes this morning that:

The amount of cash held on the balance sheets of the UK's largest companies by market value has reached an all-time high to stand at £166bn, according to analysis by Capita Asset Services.

The research suggests that gross cash balances for FTSE 100 companies have risen by one-third from £123.8bn since 2008, highlighting caution in the wake of the financial crisis.

They add:
The increase in net cash — gross cash minus short-term debt — is even more striking than the change in gross cash. It rose from £12.2bn in 2008 to £73.9bn. That reflects not only companies' decisions to stockpile cash but also reductions in their short-term debt, which has fallen by £19.6bn since 2008.
And then they get to the nub of their concern:
The study raises the question of whether the government might consider a one-off tax on the cash — even though that would be extremely unpopular with investors — if it stays on the balance sheets and is not used to invest in growth, or returned to shareholders in higher dividend payments.
"They [the cash piles] are an easy target," it says. "If the cash is not being invested to expand the economyâ€‰.â€‰.â€‰.â€‰the government may even consider a windfall tax."

At this point I wondered why the FT even bothered to print such nonsense. We have a government that is doing all it can to gift cash to big business. One reason why there is so much money on so many businesses balance sheets is that cash requirements to pay corporation tax are tumbling as rates are slashed on taxes on overseas profits abolished. The simple fact is that we already have an entirely appropriate tax available that can collect the excess cash business clearly does not need. It's called corporation tax, and this government is doing all it can to undermine it. That's where the action is needed; not with windfall taxes.