

Some of us said the UK - Swiss tax deal was full of hol...

Published: January 13, 2026, 5:45 am

Amongst the outcomes of yesterday's Public Accounts Committee hearing in which HMRC were interviewed about their performance was the revelation that the UK - Swiss tax deal that was scheduled to pay the UK £3.1 billion this year may not deliver a quarter of that sum.

I am not surprised. I have been arguing vociferously against this deal since it was first announced. One [of the most forensic analyses came from my then colleagues in the Tax Justice Network](#). The argument was not that this deal would raise money but that it could easily, and for a variety of reasons, create tax leakage from the UK. I still think that may be true.

The [EU slammed the deal](#) as supporting tax haven abuse.

Amongst the staggering impacts of the deal [was a restriction imposed on the UK's right to criminally investigate](#) those who had been tax evading via Swiss banks.

[Unbelievably, those still using Swiss banks were given favourable tax rates under the deal.](#)

And it [became legal for the first time to not declare tax haven income](#) on a UK tax return and still claim it was complete.

And [parts of UK tax administration were, under the deal, handed over to Swiss banks](#) to operate as if we could wholly trust their unsupervised best attention to making sure everything was done in right order.

From day one I named this deal as naive and a deliberate act by the UK to undermine the European war on tax haven abuse. I argued the Swiss could not be trusted to deliver (as is now clearly proven to the case) and that the UK's rule of law was undermined by allowing Swiss banks to operate parts of the UK tax system - with a tax rate discount applied to encourage abuse in the future. And I and others argued that this deal could not deliver the sums claimed for it.

We have been proven right, yet again. No wonder Margaret Hodge said it was time for HMRC to [listen to the tax campaigners yesterday](#). Our ability to predict tax risk seems to be 100 times better than that of HMRC.

That however leads to the next obvious question, which is whether HMRC were wilfully blind on this issue, as I suggested many times in 2011 and 2012 when referring to this issue, or were just incompetent. I'd like to believe the latter. I remain to be convinced.