

# Government introduces bill to make tax fraud even easie...

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In May I published my updated work on tax evasion in the UK. [Entitled 'In the Shade'](#), one of the explanations that it offered for the estimated £47 billion of tax fraud taking place in the UK was the ease with which companies can be registered and then subsequently be removed from the Register of Companies without the company in question having ever filed a set of accounts or disclosed who its real owners might be. Around 400,000 companies a year are struck off the Register each year, with a considerable number of them having never filed any information at all. I have estimated that the annual cost of these 'shadow companies' might be £11 billion.

You would have thought that in the face this evidence, and the evidence that HMRC do not either have the resources or the time to investigate sufficient of these companies before they disappear, that if a change in the law was to be made it would be to tighten up this procedure to ensure that it is harder for a company to disappear without trace, but the exact opposite has been announced today. Section 91 of the [Small Business, Enterprise and Employment Bill](#) almost exactly halves time it will take for a company to be struck from the Register, reducing it from six months to three.

Tax fraudsters must be rubbing their hands with glee. It's just become considerably easier for them to get away with a crime without almost anyone noticing.

How stupid can the government be?