

Osborne plans to increase inequality in the UK

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This one's in haste as I have early morning commitments, but I've just read of Osborne's new pension and inheritance tax plans.

The essence is you will get tax relief on money paid into a pension plan.

If you do not draw all the pension pot in your old age it can then be left untaxed to heirs.

And inheritance tax thresholds will be increased to make sure that this tax will probably not apply to it.

In other words what Osborne is offering is double non-taxation for those able to save.

Putting that in context, this is part of a plan to hit the poorest as hard as possible with benefit cuts whilst at the same time saying that if you can afford to save you need not pay tax at all.

Leona Helmsley once said only little people pay tax. But that was in the USA. George Osborne seems intent on delivering the same option here but introducing what will potentially be a pure consumption based tax system in this country where the accumulation of wealth will be rewarded by non taxation.

At a time when we now know how harmful inequality is to societies this is a deliberate policy to increase it. And that is what is so wrong with his plans.