

It's not by chance that HMRC is not closing the tax gap...

Published: January 13, 2026, 11:58 pm

As [the BBC has noted](#):

The Public Accounts Committee has criticised HM Revenue & Customs for its "unacceptably slow" action against tax avoiders.

Margaret Hodge, chair of the committee, said the inaction was putting tax revenues at risk: "HMRC must do more, faster."

There is, of course, not a hope of that happening. The senior management of HMRC is only dedicated to reducing its staff number, and not to collecting tax. That is why the real tax gap is vastly higher than HMRC estimate, [as I have explained here](#).

It is time it was realised that HMRC's refusal to collect tax has, under this government, been policy, and not chance. How could austerity be justified if tax could be collected instead?

I am aware of how provocative such a statement is but I now think it likely to be true. HMRC's approach to sacking staff, reducing its budget, refusing to properly calculate the tax gap and to be evasive on all issues relating to it can only suggest that there is ideological policy behind this approach, and I am sure that the ideology is that of austerity and shrinking the size of government because of a supposed shortage of tax revenues when in practice there need be no such shortage if only the appropriate resources to collect it were allocated to the task.