

Abolishing the domicile would be the best indication of...

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I [highlighted the UK's promotion of tax havens yesterday](#) and was as a result asked if their abolition would be the best indication of a political party's commitment to tax justice. It would be tempting to say yes, but I am not sure that is true.

If a party really wanted to evidence commitment to equality of taxation for all in the UK it would, I think, have to start with abolishing the domicile rule. This rule, which quite literally provides the opportunity for wealthy people who do not consider the UK their permanent home to permanently avoid the obligation to pay UK tax on all their income and gains, quite clearly establishes a situation where people secure a social and economic advantage based on an accident of their birth and and / or their wealth. No one who believes in equality and that we should all be treated equally before the law could possibly believe that this is remotely related to any concept of justice. It is instead wholly related to providing an advantage to a tiny and wealthy minority at cost to all the rest in society in a way that deliberately makes clear that there is, quite literally, one law for the rich and one for everyone else. [This is why I have campaigned against it for so long](#).

That said, [as I noted recently](#):

There are good reasons why the UK may want to provide special arrangements for the people who take up short-term residency in this country [if the domicile law is abolished] so that they do not suffer undue taxation, and even double taxation, as a result. I would therefore encourage any government to offer someone coming to the UK the chance to only be taxed on their UK source income for a period of up to 5 years, but after that anyone still living in the UK should be taxed as if they are fully UK resident in exactly the same way as all other people living in this country. The adoption of such an arrangement would allow the domicile rule, and all the abuses that go with it, to be abolished, for good. It should never be the case in the future that the UK can be seen as a tax haven, which the domicile rule has permitted for some of the world's wealthiest people.

This would be the best indication I think any party could give of a commitment to tax

justice in the UK because without the abolition of the domicile rule tax justice is impossible in this country.

So, if you have a demand to make, this is it.