

David Axelrod's tax

Published: January 13, 2026, 7:12 am

The [Telegraph has reported](#) that:

Ed Miliband's most senior adviser pays no tax on his reported £300,000 earnings in Britain, The Telegraph has learned.

David Axelrod, a former adviser to Barack Obama, admitted that he is not resident for tax purposes in the UK.

I am all in favour of debate on tax and tax abuse but this is ridiculous.

I can also say that the Telegraph knows this because one of the two journalists who wrote this story called me yesterday. I said three things.

The first was that David Axelrod was, as far as I know, US resident so paid tax there on his worldwide income. And if, as was likely, he used a US corporation many of these are what are called 'tax transparent' so do not save the individual tax, unlike here.

Second, as far as I knew he did not spend much time here and so was unlikely to be UK resident.

And third, therefore, tax could not be due in the UK. I explained that his services were imported into the UK and imported services do not make the supplier tax resident in the country to which they supply their expertise.

I explained this using a personal example: I have supplied services paid for by the EU on a number of occasions but that has never once made me Belgian resident and it would be absurd to suggest it did, or that I should pay tax in Belgium as a result.

This though was ignored by the Telegraph and the demand has been made that a supply of services should make people taxable in the state to which they supply them. This would, apparently, be ethical in their view.

Now that should be fun for the UK. We survive solely on the supply of invisible export earnings i.e. from the sale of export services, all of which should make those doing the exporting taxable in the destination country using the Telegraph's logic. That will slash the UK's tax yield overnight, especially from the City.

Those writing this stuff really need to engage their brains before doing so.