Funding the Future

How could Ed Balls be right in January on non-doms and ...

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In January Ed Balls said that he thought abolishing the domicile rule would cost the UK money.

Now Labour has announced that it is to abolish the rule and Ed thinks that doing so will raise hundreds of millions of not a billion in tax.

Can both statements be true? The answer is very obviously they can be.

In January Ed Balls referred to total abolition of the rule with nothing in its place.

Since then Labour has adopted my idea of a temporary residence rule meaning that people coming here for a period of up to four or so years (maybe spread over five tax years) would not have to pay tax on their worldwide income. This would mean that students, people on secondment and others who have no intention of staying in the UK long term would not be disincentivised from coming here.

Do that and there would be no reason at all why most people currently using the domicile rule to avoid paying tax would need to leave the UK.

So what has Ed Balls done? He's listened to the arguments, been persuaded of the case and in the light of that has seen there is another, better, option available to him which has now been adopted.

What on earth is wrong with a politician who does that?