Funding the Future

Is the taxman really coming?

Published: January 13, 2026, 1:33 am

The FT has a 'long read' article this morning entitled

HMRC: The taxman cometh

By Tom Burgis and Vanessa Houlder the subtitle is:

UK authorities vowing crackdown on tax dodgers to prove system does not favour the rich and famous

And the essence of the argument is that the government is giving HMRC new legislation that will make it easier to prosecute tax evaders whilst (and the FT does not put it like this, but nonetheless this is the reality of what has happened) cancelling some of the proposed cuts that were meant to impact the department.

But, for all the rhetoric right in the middle of the piece was the telling reality:

The prospect of [new laws] also prompts concerns about who the targets might be. "If you ask people [in HMRC's criminal investigations unit] who they want to prosecute, Joe the plumber or captains of industry, they will always say captains of industry," says Ray McCann, a former senior tax inspector who is now a tax adviser at New Quadrant Partners. "But the scale of that task is monumental."
The authorities tend to attempt "a generational case of a big target" but "these things are just so enormously resource-intensive that the Revenue just don't have the staff to do it, and a jury needs to be convinced". As a result, Mr McCann says, "the Revenue has always picked and will always pick on softer targets where fraud may be easier to prove".

On this occasion I am sure Ray is right: it does not matter what new laws you have unless you are willing to invest serious new money in HMRC. Otherwise they are not going to have the resources to make the changes that are needed. And that I know of only one politician is, right now, talking about giving them those resources. I wish more were. Perhaps the current discussion will win the wider support that is needed but it remains the case at present that George Osborne thinks he can collect new tax without

investing real resources in HMRC. I have to say that I quite simply disagree.