

There is no such thing as 'taxpayer's money'

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I am aware that some, including national newspapers, are getting very exercised by the fact that I suggest that when the government spends it is not doing so using what is often referred to as 'taxpayer's money'.

It would seem that someone is spending some time reading my past blogs, writing, lectures and tweets, In doing so they came across the following piece from the [Salter Lecture](#) I gave at the Quakers' Yearly Meeting in Bath in 2014. I confirm I reiterate the view in the forthcoming 'Joy of Tax':

At its core tax justice demands that each person pay the right amount of tax at the right time, in the right place and at the right rate.

Right has a special meaning here. It means that not only do you comply with the law. Tax avoiders can claim they do that. It does not even mean that you comply with the spirit of the law — which is what HM Revenue & Customs expect. It is about putting this desire to do the right thing into action, so that what is declared for tax purposes reflects the economic reality of what the taxpayer has actually done.

That, at least, has been our usual explanation of the term 'right' but the reality is that it reflects something broader than that. It is our belief that we are people who live in community. But that community is not made up of those immediately known to us, as neoliberalism might, at best, suppose. We think that community between people known and unknown is something that is a pre-requisite for a life well lived.

Without that community there would be a continual struggle to preserve ownership of property, to secure the means for survival, and to maintain the boundaries around communities that are necessary if it is to invest in its own identity, traditions and future, as all do, for a community does reflect a culture, even if it is one that should develop and evolve over time.

Tax provides the mechanism to achieve these aims in a non-violent way. It's not just that it pays for the process of government that defines in turn the extent of the community, the way it identifies and transfers property rights, and which protects its

more vulnerable members: tax does this in a democracy with the willing consent of the members of that society. That combination of consent and tax takes away as a consequence the cause for much dispute. As a result, tax is one of the foundations of peace.

We pay a price for this: indeed American Judge Oliver Wendell Holmes, Jr. said in a speech in 1904 that 'Taxes are the price we pay for a civilized society'. I would agree. But I would go further than that. I would suggest that we don't as such pay taxes. The funds that they represent are, I suggest, in fact the property of the state. After all, if we give the state the power to define what we can own, how we can own it and what we can do with it — and we do — then I would argue that we also give the state the right to say that some part of what we earn or own is actually its rightful property and that we have no choice but pay that tax owed as the quid pro quo of the benefit we enjoy from living in community.

This philosophy is, of course just about the polar opposite of that of the neoliberal who thinks that all taxation is, in effect, theft of the private property of the individual that the state must, by coercion and threats wrest from their possession. That notion of tax as theft is, by the way, commonplace in neoliberal thinking. Its expression in milder form gives rise to the term used by politicians of all parties in recent years when they talk about spending 'taxpayers' money', with the clear implication that the government really does not own the funds in its possession. Well let me inform you that there is no such thing as 'taxpayers' money': it is the government's money to do what it will with in accordance with the mandate it has been given and for which it will have to account. It is the government's money precisely because we owe it to them in accordance with the laws that we, by consent, have agreed to comply with and which underpins the society of which we are a part and in which we wish to live in reasonably peaceful harmony.

In so saying, of course, let me make clear that there is taxpayer's money: it is the money they have the absolute right to enjoy after they have paid their tax.

It seems some don't get such things. Public discourse and understanding is all the poorer for it.