

If Cameron is serious about tax abuse then he's backing...

Published: January 15, 2026, 9:55 am

According [to the Guardian](#) David Cameron is seeking to deflect attention from his own tax affairs by introducing a new law that will make companies criminally liable if they fail to stop their employees from facilitating tax evasion.

Call this the HSBC law if you like, but I suspect it is not that, and I very strongly suspect that this law, if it is enacted, will never be used and be quite incapable of use for three very good reasons.

First, the crime of tax evasion will not take place in the UK. It will be exceptionally difficult to prove liability in many cases as a result.

Second, the defence to the crime will be that of Mossack Fonseca, who made it clear (as does almost every offshore operator) that they are not responsible for the use their clients make of the facilities that they create for them.

Third, because offshore works by referring one person to another, to another, in a web of layers of opacity proving who facilitated evasion will be nigh on impossible.

The result is that we will have a law of little consequence only of use for targeting the activities of small limited companies where the owner/director knowingly pockets cash. Whilst that is a big issue that is not the issue of the moment.

Cameron knows that. And I am sure that he knows this law will be useless.

There is, however law that would be immensely useful. That would be the legal requirement that all multinational corporations - without exception, regardless of size - publish [country-by-country reporting](#) data to show just where they are and what they do in every place where they trade, including tax havens.

The EU [parliament demanded](#) parliament demanded such a requirement of the EU Commission late last year and the [EU began a review of such a requirement](#). However, [only a couple of weeks ago it was reported](#) that the EU's plans have been massively curtailed. The requirement will only be for disclosure within the EU, leaving the rest of

the world and as a result the vast majority of tax havens out of any scrutiny, whilst the rule was only to apply to companies turning over more than £750 million, leaving most companies out. The result is a hollowed out and meaningless gesture that will achieve almost none of the goals of proper country-by-country reporting.

If David Cameron wants to back something he has to demand full country-by-country reporting on public record now. Then we will know those companies who are really making use of tax havens and who, by their actions, fund the infrastructure of these places that is also, whether they are aware of it or not, used for illicit activity.

David Cameron's new law will be a meaningless gesture. Country-by-country reporting would really change corporate behaviour. By his choice will you know him.