

Tax dodgers must lose lucrative contracts

Published: January 13, 2026, 3:17 pm

My friend and Fair Tax Mark co-director Paul Monaghan [wrote this in the Guardian yesterday](#):

In a significant step forward for tax justice, the UK government has said all councils in England, Wales and Northern Ireland must interrogate potential suppliers on any history of tax evasion and avoidance dating back to October 2012.

At stake is £50bn of annual local government procurement, money used to pay for everything from electricity to building construction. The ruling applies to any contracts or tenders initiated after October 2016.

Unlike previous regulations, which required local councils to scrutinise whether a company had been involved in illegal tax practices but overlooked the greyer area of tax avoidance, this new ruling requires councils to ask a more detailed set of questions that encompass both outright illegal practices and aggressive tax dodging that is outside the spirit of the law and something tax authorities are at last beginning to clamp down on.

Might I recommend the rest of the article to you? It's important because as Paul concluded:

The Fair Tax Mark is calling on councils to quickly and robustly implement the new national guidance (which is mandatory for all contracts over the qualifying cost threshold) and to periodically report on implementation and the exclusion of tax evaders and avoiders from public procurement. It is wrong that businesses that do not pay the due amount of tax enjoy a competitive advantage over those that do.

This breakthrough in local empowerment and tax justice could have a tremendous impact on business behaviour in the UK, but only if we see the tax dodgers actually losing lucrative contracts and fair recognition for those who, year in year out, pay the right amount of tax in the right place at the right time.

I suspect a lot of people would like that to happen.