

The UK has been in a corporation tax race to the bottom...

Published: January 12, 2026, 10:58 pm

David Davis [said yesterday](#):

[Europeans] fear that Brexit could lead to an Anglo-Saxon race to the bottom. With Britain plunged into a Mad Max-style world borrowed from dystopian fiction.

These fears about a race to the bottom are based on nothing, not our history, not our intentions, nor our national interest.

I thought some evidence might help appraise the claims he made. This data is on EU tax headline corporation rates compared to that for the UK for the last sixteen years. The data [comes from KPMG](#) (corrected for an error in the 2018 UK rate).

Now unless I am deeply mistaken that blue line, which is the rate, falls headlong below that for the EU 15 excluding the UK and the EU average excluding the UK towards the average for the EU 13 accession states, mainly in the EU's eastern areas.

You could argue that is not quite a race to the bottom because there is a little way to go as yet. But that's nit picking: since 2010 the UK has been heading the charge to cut rates.

In that case I'm sorry Mr Davis, but the evidence is that the UK is committed to a race to the bottom and has been since 2010. No wonder no one believes him.