

If anyone can get everything wrong at once then May can

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It's very hard to know what more Theresa May can get wrong. Until she starts digging, that is. And then she does it again. Take [this from this morning's Guardian](#):

Foreign buyers of properties in the UK will have to pay a new levy, in a renewed attempt by [Theresa May](#) to tackle the housing crisis.

With concern growing among senior Tories that the party has allowed Brexit to drown out a compelling domestic agenda, plans unveiled on Saturday night will see foreign buyers pay extra stamp duty to fund a drive to tackle rough sleeping.

What's wrong. Let me start with the superficial, and move in stages to the conceptual.

Superficially, this is just puff. Take two vaguely related issues; link them in a policy statement; say solving one will solve the other, and claim to have a big policy announcement for your conference speech. Except she hasn't, of course. These issues are not linked.

Foreign housebuyers do have a detrimental effect on the UK housing market, but that is not the cause of rough sleeping. The problem's caused by foreign housebuyers would be best solved in three ways. The first would be a substantial tax on empty, or near empty, properties used as second homes. Labour has not got near this with its tax on second properties used as holiday lets. Instead, the issue is about properties bought primarily for speculation. The issue here is that council tax is a mere incidental cost and the tax rate - although higher than for other capital gains remains low, and also very hard to collect from the offshore entities that are the legal owners of so many foreign-owned properties.

The issue is then forcing the open registration of the beneficial ownership of these properties; a tenfold increase in council tax on them; a significant increase in the capital gains charge on them and a refusal to permit changes in registration of title until that tax is paid; and, perhaps most important of all, an end to the domicile rule that still makes the UK a tax haven for so many people who can claim that the UK is

not their natural home.

When it comes to the problem of rough sleeping, a small fund paid for with stamp duty will not solve the problem. The problem has been created by austerity, more than anything else, and May remains committed to that.

So let's become more conceptual. Suggesting links between revenues and spends is simply disguised tax hypothecation, and hypothecation is always a bad basis for taxation, especially when it is suggested that it will solve a problem which will continue even if the tax base that is supposed to pay for its solution disappears. It is time that politicians stopped this stupid game of linking revenue and expenditure.

To come to the core argument then; let's be clear that if rough sleeping is a problem in the UK then we are not dependent upon some additional tax paid by those foreign owners of properties in this country to solve it. It is an insult to the rough sleepers to suggest that is the case. It is an insult to our intelligence to suggest that is the case. And it is a sign of ignorance on Theresa May's part that she thinks the government cannot create the funds to solve this problem without having to raise additional taxation, when that is simply not true. If rough sleeping is a problem worth solving then the government already has the means to do so: it can simply vote to commit funds to the task, knowing that it can always create the necessary funds to do so, and that if the task is worth doing then, in this case, it will pay for itself by eliminating the cost that rough sleepers create. The solution is as simple as that and it is just wrong for May to suggest otherwise.

I am not sure what I dislike most about this announcement. The failure to think; the lack of compassion; the implicit belief that we are all dependent upon taxes paid by the rich or the sheer ignorance: they all rank as reasons to be disgusted. It's not just because of Brexit that we need some new political leadership in this country.