

Why has it taken HMRC so long to tackle tax fraud on si...

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As the [FT reported last night](#):

Online marketplaces such as Amazon and eBay face being forced to collect value added tax on UK sales made on their platforms by overseas retailers in an effort to combat fraud worth an estimated £1.5bn a year.

In a leaked document seen by the Financial Times, HM Revenue & Customs revealed its plans to end the status of online marketplaces as mere facilitators of UK sales of overseas goods and instead treat them as the vendors that are responsible for handing over VAT to the government from January.

The move suggests that the tax authority has accepted that its previous attempts to stamp out VAT fraud by overseas retailers on online marketplaces have failed.

About time, is all I can say. I wrote about this issue [and the legal basis for addressing it in 2015](#). Why has it taken so long to address? I know that HMRC knew all that was happening by that date: I played a small part in ensuring that they did. The indefatigable campaigner, Richard Allen, played a vastly bigger part.

There has been no excuse for their inaction, the cost of which has been immense. The likely low-end estimate of the cost has been £1.5 billion a year.

The fear of upsetting tech companies that our government has shown for far too long has cost us dear.