

Of all the taxes to raise council tax is just about the...

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The Times [has reported](#) that:

Council tax in some areas is set to be increased up to eight times the rate of inflation next month.

Local authorities have confirmed they are preparing for rises in excess of the current inflation rate of 0.6 per cent.

Midlothian believes it will impose a council tax increase of almost 5 per cent next month, with several other councils likely to demand 3 per cent.

I am not for one second disputing the scale of the financial crisis that is hitting local authorities: it is real, and has been developing as a result of persistent underfunding across the UK, forced upon those authorised by central government choice. The aim was always to pass the burden of austerity onto the most vulnerable by cutting services.

But now to increase council taxes when other taxes are not raised is to add insult to injury. Council tax is one of the most regressive taxes in the UK. At the top of the scale the tax is capped - and for many in the richest boroughs in the country the obligation is insignificant as a result.

In contrast, at the lower end the charge behaves like a poll tax, with even the poorest property being expected to pay a fixed proportion of the sum owing by the mean property in the council tax bands. The result is that council tax features very heavily in the overall tax bills of the lowest paid in the country.

Ability to pay is not taken into account in most council taxation.

And so it would seem that Rishi Sunak has chosen those on lowest pay to suffer the highest proportionate tax increases in the coming year. You literally could not make such poverty-creating programmes up, except for the fact that they are deliberate government choice on a routine basis now.

And remember, there is no reason why central government could not provide local government with all the funding that it needs, costlessly. QE could deliver that right now. But the government would rather penalise people.