

Should capital gains be charged to tax at the same rate...

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It was depressing to hear Labour Shadow Minister [Stephen Reed](#) tell Andrew Neil yesterday that Labour has no plans to tackle the different tax differential that means that capital gains in the UK are taxed at near enough half the rate charged on income from work in the UK.

This is despite the compelling evidence from Rishi Sunak's tax returns and recent academic studies that shows that this loophole is widely used to massively reduce the overall rate of tax paid in very large incomes to rates lower than those paid by many on little more than average UK pay when national insurance paid on income from work is also taken into account.

Labour's justification for taking no action is, incidentally, that they do not want to tax people's homes. But that is absurd. That tax base exemption has nothing to do with the tax rate. They can't even get basic facts right.

I have long suggested that this differential is wrong. What follows was first posted on this bog in December 2021, but nothing has changed, except that Labour has moved ever further to the right and ever further from its supposed left-of-centre roots.

In a [series of videos](#) I am looking at practical ways in which we can tackle the problems created by inequality in the UK, particularly represented by the rise in the number of multi-millionaires in our society, not least during the course of the Covid epidemic.

One of the ways in which the UK [tax system](#) is heavily biased towards those with wealth is in the way in which it taxes capital gains. These are the profits that people make on the sale of assets that they have owned, sometimes for only a few days, and other times for many years, whether they be [shares](#), rental properties, artwork, bitcoins or something else of a similar type.

The UK tax system charges these to tax at rates that are about half those applied to income from work, and to add insult to injury, no national insurance is charged either. I explore what to do about this issue in this video.

<https://www.youtube.com/watch?v=mSDFqbnFZJk?feature=oembed>

This [video is one of a series](#). Follow the link to see the rest.

So, a quick question: [poll id="40"]