

Is Labour going to increase taxes, after all?

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Will Labour use at least some of the recommendations in the [Taxing Wealth Report 2024](#)? It seems possible. The [FT has reported this morning](#) that:

UK shadow chancellor Rachel Reeves has “no plans” to revive her previous call for a tax increase on the pension savings of higher earners, but has refused to categorically rule out such a move.

Her spokesperson said Reeves had “no plans” to change the current regime of pension tax relief, even though earlier in her career she proposed reforms that would increase taxes on pension savings by higher earners.

“That’s not a Labour policy — we have no plans to change pension tax relief,” the spokesperson added. “It will not be in our manifesto. It’s not something we are looking at and we have no plans to introduce it.”

Labour is going to have to find money from somewhere if it is to meet its economic objectives. Reducing tax relief on pension contributions by higher-rate taxpayers would save £14.5 billion in tax subsidies to the already well-off. Why wouldn't Labour want to do that?