

What Dan Neidle gets wrong about tax on wealth

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Dan Neidle, who seems to think he is God's gift to neoliberal tax policy because he was once the head of tax at the highest-earning law firm in London, meaning he earned millions a year in that role, [has said this on LinkedIn](#), in his typically dismissive style:

[T]here's a wider problem that most people on the Left don't want to talk about.

Margaret Thatcher said the problem with socialism is that you run out of other people's money. The more serious problem is that you run out of people. There just aren't enough very wealthy people to raise really serious amounts of tax from them.

If you want to raise large amounts of tax, you inevitably raise a good chunk of it from normal people.

But you don't have to believe me. Let's test this.

And what he then shows is that no neoliberal country is making any effort to raise money from wealth, as if that is proof that it is not possible.

Let me unpack what he is saying. The first thing is that because something has not been done, it cannot be done. If you want the evidence that neoliberal thinkers do not believe in innovation, that's it.

Second, he is suggesting there is always going to be a decidedly finite supply of wealthy people. If ever you wanted evidence that neoliberals think that either a) their system does not create sufficient new wealth so that more people might be wealthy or b) they don't want to share that wealth more widely if it is created, I think there we have the proof, from the adviser who, no doubt, helped ensure that was the case.

Third, and this one is by implication, but so, too, were the first two, is that if some of the wealthy leave, there won't be enough of them left to tax, and so things will be terrible for everyone else. What Dan Neidle fails to notice is that things are already terrible for everyone else, so on the basis of his argument, whether the rich leave makes absolutely no difference at all.

The truth is quite different from what Dan represents.

There are vast numbers of people who can innovate in the UK, but the ones most likely not to do so are the wealthy, because they are always far too frightened of losing their wealth to innovate. The other millions (and I mean that number) of potential innovators in the economy just need access to resources to enable them to innovate, and it would most definitely seem as if it is Dan's intent that they do not get access to them via the only agency that might make them available, which is the government via redistribution of wealth.

In addition, innovation on tax is possible. I accept that much of what the left talks about when it comes to tax is, regrettably, not very clever or deliverable. I wish it were otherwise. I wish they would take note of the [Taxing Wealth Report](#), which Dan has, in the past, been very rude about. However, I should add that he is rude about anyone to the left of Margaret Thatcher, despite being - I should add - a long-term member of the Labour Party. He was also always a major opponent of all tax justice initiatives, saying none of them would ever work when I helped promote them. Now, many are a functioning part of international tax law, so I think we can safely dismiss him on that point and instead note that the fact is that tax law innovation is possible: it is just not usually in the best interests of those whom Dan presumably always sought to serve during his law career.

And, as I note, if the wealthy leave, so what? Apparently, they don't pay enough tax to make a difference already, and things are already terrible. But the reality is the vast majority of them will stay, because they have nowhere else they want to go, their partners and children don't want to leave, their in-laws, dogs and horses want them to stay, and they can't tear themselves away from the social hierarchies they have created for themselves at the golf club or wherever else it might be and then face having to do that all over again.

In other words, Dan Neidle is another neoliberal cracked record, telling us we've never had it so good and that things can never get better even though it is glaringly obvious that the economic system to which he is so obviously dedicated is not creating wealth, is not creating well-being and is not sustainable because far too many are seeing all their economic prospects fading away. But, like an old 78 (and he's not 78, but appears to behave as if he is), he has no other tune to sing, so he keeps on churning out the same old nonsense in defence of the indefensible.

There's one thing to do with the likes of Dan, and that's ignore him. He might come out with some useful data every now and again, but he has no tax policy solutions worth noting, so what is the point in that? If anyone has passed their use-by date, it is Dan Neidle. He can't even appreciate that he has to move with the times, because he is so committed to the status quo.

1. Murphy, R. (2023) 'Pointing out the massive under-taxation of wealth in the UK is not nonsense – it is totally fair', *Tax Research*. [Available here](#)
2. Murphy, R. (2024) 'Tax justice – Dan Neidle style', *Tax Research*. [Available here](#)
3. Murphy, R. (2024) 'Dan Neidle's tax proposals are all about perpetuating existing economic power structures within our society', *Tax Research*. [Available here](#)
4. Murphy, R. (2024) 'Wealth taxes can only be built on the foundations created by those who fought tax havens', *Tax Research*. [Available here](#)
5. Murphy, R. (2024) 'Why isn't the "normal return" to work tax free?', *Tax Research*. [Available here](#)
6. Murphy, R. (2025) 'What Dan Neidle gets wrong about tax on wealth', *Tax Research*. [Available here](#)