

TAX EXPERT INSIGHT AS POACHER AND GAMEKEEPER

Our biz4Biz forum welcomed David Whiscombe to the Forum Conference Suite of the Ibis Hotel in Stevenage for a recent lunch meeting.

This was our first meeting at this central Stevenage location and Ruslana and her team made us most welcome and looked after us very well.

The forums are free to attend for biz4Biz members so do look out for the next one!

David is a tax expert and gave a real insight into the world of tax both as poacher and gamekeeper; you can decide which is which between the Revenue and private practice. The raising and collection of taxes has three differing purposes and these can in fact conflict:

The raising of money for the government of the day to spend on the protection of the realm and the infrastructure of the nation. Taxes are used to influence behaviours in whatever way is deemed beneficial at the time.

Taxes are used in order to provide some redistribution of wealth. Indeed, David made the point that with most consumed goods and services that the more you “buy” the cheaper it becomes; think about buying gas or electricity, sending parcels or bulk buying at a cash and carry. However, with tax, the more you pay, the more you pay.

The statistics showed that the top 10% of earners pay 55% into the tax coffers but the lower 50% of the population’s earners only contribute 10%.

He also made the point that when the top rate of tax is brought down; it was 98% at one time, the actual amount raised shot up.

There is a limit at which people find tax acceptable and do not seek to avoid it by way of schemes or moving assets away and there is a balance to be drawn between raising as much as possible to accomplish all the wonderful things we want our country to do and squeezing so hard that the ones who can, decide to seek a refuge elsewhere.

There was a lively question and answer session and a lovely lunch so in all a very well spent couple of hours; very informative and a good chance to catch up with colleagues and meet new contacts.

Andrew Sykes
Director biz4Biz, Chairman
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