

# UK churches seek action on tax avoidance

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London, October 31 (ENInews)--Representatives from the United Kingdom's main Christian denominations and charities submitted a letter to the Chancellor of the Exchequer (treasury secretary) on 31 October, urging the government to tackle tax avoidance in order to "Close The Gap" between rich and poor.

"Tax evasion and avoidance is estimated by the Treasury to cost the U.K. at least 35 billion British pounds [US\$56.4 billion] annually. This is nearly nine per cent of U.K. tax revenue. The efficient collection of this revenue would lessen the demand to cut social and welfare expenditure which is hurting the poorest in our communities so much," the letter read.

"Treasury estimates also suggest that those who are avoiding paying their contribution are mainly wealthy individuals and corporations, so the recouping of this money would not harm the poorest and most vulnerable," it added.

The campaign noted that when goods are bought by Internet or mail order from a company based in the U.K. they attract tax, but if they are bought from some off-shore territories they are tax-free. They estimate this costs the U.K. at least 130 million British pounds (US\$210 million) annually.

They also urged the government not to process legislation which would offer incentives for companies to shift financial operations to off-shore tax havens as a means of avoiding paying U.K. taxes. Even by the Treasury's own estimates, this will cost 840 million British pounds in lost taxes a year. They also proposed the introduction of a General (tax) Anti-Avoidance Rule into U.K. domestic law.

Signatories included: Anglican bishop David Walker of Dudley; Gwen Shaffer from Quaker Peace and Social Witness; the Rev. Leo Osborn, Methodist Conference president; the Rev. Richard Mortimer, United Reformed Church; Niall Cooper, from the ecumenical Church Action on Poverty; and several Catholic organisations.