

NOTICE OF MOTION**GREEN GROUP****'ACTIONAID' TOWNS AGAINST TAX DODGING CAMPAIGN**

This Council resolves:

"To offer its support to the ActionAid 'Towns Against Tax Dodging' campaign, and, to that end:

- (1) Asks the Chief Executive to write to the Chancellor of the Exchequer to request an urgent review of the taxation system to remove all loopholes which currently allow for corporate tax avoidance; and
- (2) To write to all local MPs, asking for them to also pledge their support for this campaign."

Proposed by: Councillor Littman Seconded by: Councillor Wakefield

Supported by: Councillors Bowden, Davey, West, Shanks, Kennedy, Rufus, Jarrett, Sykes, Randall, West, Buckley, Mac Cafferty, Hawtree, J. Kitcat, A. Kitcat, Phillips, Deane, Jones and Duncan.

Supporting Information:

Local people who rely on Council services could benefit as the council could avoid some reductions in provision currently being made due to the Government's austerity programme, as this could be relaxed if they collected the billions of pounds of unpaid corporate tax.

At a time when Local Government is being starved of the funding it requires in order to maintain the levels of service it can provide to the citizens of this country, it is both morally and financially unacceptable that the UK Treasury loses as much as £12 billion to tax dodging by multinational companies every year.

Brighton and Hove has an unusually high number of small businesses. Closing loopholes which allow large corporations to avoid paying tax could 'level the playing field' and thus make these smaller businesses more competitive with their larger competitors. This could have a positive impact on both these businesses and the wider local economy in the city.

Brighton and Hove City Council has faced and is facing eight-figure funding shortfalls every year from 2010 to 2020. Our ability to continue to provide high quality local services would be significantly enhanced by the increased revenues from the government tackling corporate tax dodging.

As ActionAid so eloquently puts it:

“The UK Treasury has been estimated to lose up to £12 billion to tax dodging by multinational companies every year, and it’s even worse in developing countries, where they lose three times more to tax dodging than they receive in aid every year. That’s enough to provide a basic education to the 57 million children currently missing out. The use of tax havens by some UK companies is rife, with 98 of the FTSE 100 companies routinely using tax havens. All who benefit from public spending, including multinational companies, should contribute their fair share.

Corporate tax avoidance is unjust as it harms ordinary people around the world, increasing poverty and inequality. It must be stopped. The UK must take a lead role in creating a fairer tax system.

While many ordinary people face falling household income and rising costs of living, some multinational companies are avoiding billions of pounds of tax from a tax system that fails to make them pay their fair share. Local governments in developing countries and the UK alike would benefit from a fairer tax system where multinational companies pay their fair share, enabling authorities around the world to provide quality public services. The UK government must listen to the strength of public feeling and act to end the injustice of tax dodging by large multinational companies, in developing countries and the UK.”