James Murray MP
Financial Secretary to the Treasury

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Dear Financial Secretary,

We write to you as members of the UK public, to highlight the widespread tax abuse undertaken by the big online giants that is depriving our communities and public services of vital revenue, and creating an unfair playing field between our beloved high streets and online marketplaces.

As you know, millions of ordinary people and businesses across the UK are struggling to make ends meet, due to an ongoing cost of living crisis and underinvestment in our public services. At the same time, the biggest tech multinationals that dominate consumer markets and our social media feeds continue to make billions in profit, yet too often pay lower tax rates than brick and mortar businesses. All while big tech CEOs use their extreme wealth and power to wield outsized influence over our governments and democracies.

Research from the Fair Tax Foundation out this week has found that over the past three years, the Silicon Six (Alphabet/Google, Amazon, Apple, Meta/Facebook, Microsoft and Netflix) paid just £3.0bn of UK corporate income tax – only a fifth of the £14.8bn they would have paid had their UK sales been as profitable as their business worldwide, and a shortfall of £11.8bn, or some £4bn a year. Google and Amazon shift a substantial proportion of their revenue and profits through low tax Ireland and Luxembourg, despite having relatively few customers in either of those countries, depriving the UK and countries globally of hundreds of millions in much needed revenue.

We are also deeply concerned that the UK Government has shown signs of engaging with President Trump's pressure to water down the Digital Services Tax - a modest 2% tax on the biggest technology companies in the UK and around the world - projected to raise over £5 billion this Parliament. This is enough to pay for the cost of living measures your government has introduced - the £2 bus cap and VAT cut on electricity bills - and provide households with some much needed relief. It is also a vital way of ensuring that large companies who often pay little to no corporate tax contribute more of what they owe. UK tax policy must be set in the UK and work in the interests of the UK public and economy - not billionaires or the President of the US.

To curb aggressive tax dodging and ensure the biggest and richest companies pay their fair share your Government should look at three simple measures.

Stop rich multinational corporations evading tax by mandating they declare profits and corporate taxes paid wherever they operate. Public Country by Country Reporting was

legislated for by the UK in 2016 but never implemented, and would require large multinationals to publicly declare their revenues, profits, corporate tax paid and number of staff for every country in which they operate. This would enable proper scrutiny of these companies by journalists and civil society organisations, which would reduce profit shifting and recoup much needed funds. The European Union has already legislated for this and member states are in the process of bringing it online - now the UK must follow suit.

Strengthen and widen the Digital Services Tax. The UK must stand up to threats from Trump and vested interests to abolish the DST and instead strengthen and widen its scope, in line with international best practice.

Support an ambitious UN Tax Convention (UNTC): A UNTC is a rare chance to strengthen global tax cooperation, crack down on corporate tax dodging, and recoup billions in lost tax revenue. It has the potential to curb aggressive profit shifting by multinational corporations through enabling greater transparency measures and mandating that companies pay tax where actual economic activity occurs, and not just where they declare profits.

We hope you will stand behind us, and demonstrate that yours is a Government that supports ordinary people and businesses - not just the most rich and powerful.

Yours sincerely
Tax Justice UK & the undersigned

[YOUR NAME WILL BE ADDED HERE]