



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

Iain Stewart MP
House of Commons
London
SW1A 0AA

16 January 2024

Dear Iain,

Thank you for your email of 19 December to the Foreign, Commonwealth and Development Office enclosing correspondence from a number of your constituents about international tax. Your email has been passed to HM Treasury and I am replying as the Minister responsible for this policy area.

The UK strongly supports developing countries' efforts to scale-up domestic resource mobilisation to finance sustainable development.

At the UN General Assembly last year, our Deputy Prime Minister announced a new £17 million package to help developing countries collect taxes owed to them. We are funding peer-to-peer capacity building for revenue authorities in African countries including Ghana and Rwanda. We currently chair the Organisation for Economic Co-operation and Development (OECD) Forum on Tax Administration's Capacity Building Network and we are contributing to the UNDP-OECD Tax Inspectors Without Borders initiative.

Our new International Development White Paper published on Monday 20 November commits to building a stronger and fairer international tax system for all.

We champion this work through the OECD's Inclusive Framework on Base Erosion and Profit Shifting and the Global Forum on Tax Transparency, which uniquely have the technical expertise, wide-reaching global membership, and political support to advance this agenda effectively through consensus-based policy-making.

These are strengthening our collective ability to address tax evasion and avoidance, combat harmful tax practices, and tackle evolving challenges posed by digitalisation.

We are also supporting efforts to strengthen the inclusion and voice of developing countries in these mechanisms.

We think there is space for intergovernmental discussions on tax at the UN, which builds on existing initiatives. We believe it is possible to achieve this without duplicating the work of the Inclusive Framework and Global Forum, putting greater resource burdens on countries or fragmenting the international tax system.

Proceeding with a UN convention on international tax at this time would however be duplicative and create a parallel system rather than a complementary process. This risks fragmenting the international tax system, and would be negative for all countries.

Therefore, we and many others were not able to support this resolution.

We are watching further developments at the UN with interest and will consider next steps carefully in light of those.

Please pass on my thanks to your constituents for making me aware of their concerns.

Yours ever,



Nigel Huddleston MP
FINANCIAL SECRETARY TO THE TREASURY