

What do you want to see happen at the next general election? Pledges of tax cuts, an extra penny on income tax for education, the number of government pen-pushers slashed? However, long your wish list, company tax reform is unlikely to be on it. Perhaps it should be.

Business taxation may sound like a cure for insomnia, but if we ignore the issue, we will be like a family sat around the table for Sunday lunch, arguing over who has the most roast potatoes, while the pet dog steals off with the joint.

The pet dog in this case are the corporations and individuals who worm their way through a series of tax loopholes under the guidance of the accountants and tax advisers. Nothing new there - except most people do not realise the scale of the problem. It has been estimated that the US federal government loses \$170 billion a year through corporate tax avoidance and \$85 billion a year due to individuals side-stepping their dues. In Britain, the Exchequer is reckoned to forfeit £25 billion to £85 billion a year. To set that into context, the government spends about £375 billion a year. The cost of the NHS is about £65 billion, so £85 billion - or even £25 billion - is money we can ill afford to lose.

This situation is bad enough for a comparatively wealthy country like the UK, but imagine the devastating effect on a country whose people live on the breadline. The successful companies and individuals that do exist are able to transfer their profits untaxed into the burgeoning number of tax havens, removing money that should be an investment in the country's future.

Tax havens charge little or no tax and they are a growth industry. A new one has sprung up on average every year for the past 30 years and half of the world's trade is thought to go through them.

Tax avoidance has become so lucrative that the fines that an accountancy company might incur for bending the rules until they snap are small in comparison to the contracts that they might gain through a reputation of pushing tax avoidance to its limit.

Of course, the Government doesn't help its case by wasting public money, but that is no justification from excusing yourself from a system that educates your workers, keeps them healthy, provides the highways on which you transport your goods and the basic security that enables you to do business in safety.

Businesses might argue that if everyone is at it, then it's OK. It's a level playing field. But it isn't. Only the larger companies can afford £1,000 a day tax consultants and that day-rate is probably an under-estimate. So the tax burden falls on smaller businesses and individuals.

This isn't the subject of bar room chats, but that is not because people regard it acceptable. I believe it is because people do not know the problem is rife. It is almost a trade secret. The Tax Justice Network has been formed to change that: learn more of the problem and the solutions it proposes at www.taxjustice.net