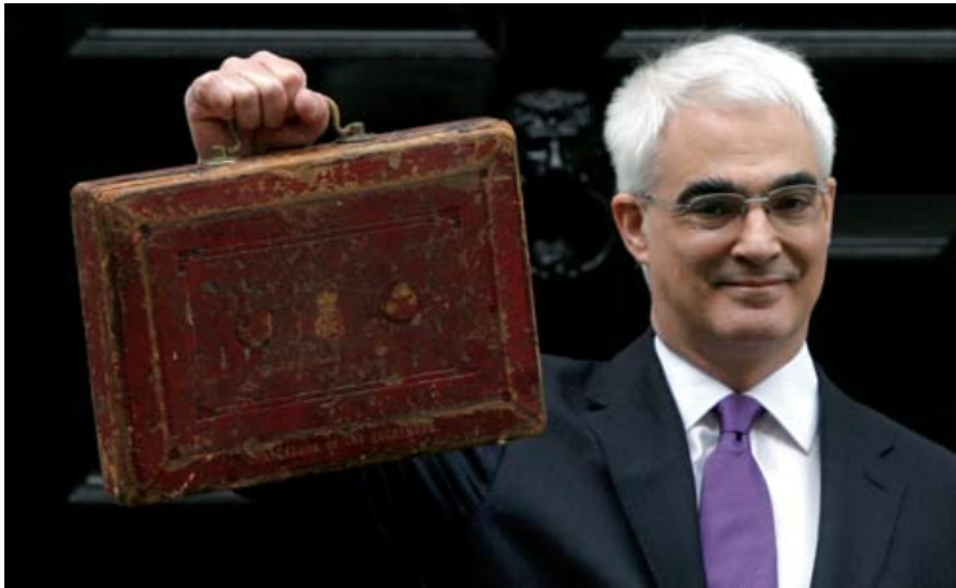


The UK Budget 2010



On the 24th March Alistair Darling, the UK Chancellor of the Exchequer, presented the Budget for 2010. [L&L](#) breaks down the figures.

Expenditure: According to HM Treasury figures, total UK government expenditure for 2010/11 will be £704bn. Of this £229bn will be spent on welfare and social services, £122bn on health, £89bn on education, £43bn on debt interest, £40bn on defence, £36bn on public order and safety, £27bn on housing and environment, £22bn on transport, £20bn on industry agriculture and employment and £74bn on 'other' (includes culture, public pensions, recreation and international aid). *

Revenue: Tax receipts for the year are expected to be around £541bn leaving a deficit against expenditure of £163bn. Income tax and National Insurance are expected to

yield £242bn, Corporation tax £42bn, VAT £78bn, Excise duties £46bn, Council tax £26bn, Business rates £25bn and 'Other' taxes (including capital taxes, stamp duty and vehicle excise duties) £81bn.*

These figures show (a) that expenditure on welfare far exceeds any other category - including health and education combined and (b) that almost all the current taxes reduce the reward that the people who provide labour and capital are able to receive when they produce and exchange. Some might think the link between these two facts was blindingly obvious: (a) shows the extent of UK poverty while (b) shows how the tax system prevents so many people and firms from thriving.

(* Figures may not sum due to rounding)

news in brief...

Sign on the dotted line A new petition to the Prime Minister calling for a tax on land values—TaxLess4More—was launched on the [NUMBER10.GOV.UK](#) website shortly before the General Election was called. The petition is sponsored by the cross-party Coalition for Economic Justice. It was formally lodged by John Lipetz, Chair of the Coalition, of which the HGF is a founding member.

While the petition is open only to those on the UK electoral roll (and signing is disabled for the duration of the election) it is also supported by a Facebook group where people from all over the world can back the idea—search for TaxLess4More on [FACEBOOK.COM](#).

Roofies Wokingham City Council is considering introducing a 'roof levy' on newly constructed houses. The measure, which is already in place in Milton Keynes (see [L&L](#) 1213), levies a flat fee calculated by the cost of infrastructure improvements divided by the number of acres of land allocated to any particular developer. In Wokingham the fee has been calculated to equate to around 15 per cent of the planning gain. The revenue will help to pay for transport improvements and education facilities and local health centres.

Hong Kong ups land tax The 2010 Hong Kong budget, which was announced in February, increases duties on land transactions and the government also increases the supply of land in a bid to deflate a potential property bubble, the territory's financial secretary John Tsang has announced. Some land, which has traditionally been released for auction only after a developer indicates its willingness to pay a high reserve price, will, in the future, be available on market terms.

expenditure **£704 billion**

tax receipts **£541 billion**

