

Five steps to a fairer, greener country



Green Party

3 March 2024

- * Raise over £50 billion through taxing wealth fairly**
- * A large-scale green investment programme to transform our economy**
- * Billions more for health and social care;**
- * Funds for local authorities to invest in warm, affordable to heat homes**
- * VAT exemption for hospitality and cultural businesses**

The Green Party is proposing to raise over £50bn annually by the end of the next parliament through taxing wealth fairly.

The proposal is part of the Green Party's five-point plan to counter the cost-of-living crisis and deliver a fairer and more caring country in next week's Budget. [1]

Green Party co-leader Carla Denyer said:

"There is wealth in the UK. It is distributed unfairly. Our economy is failing because our wealth, rather than circulating and benefiting everybody, is held in the stagnant assets of the super-rich.

"The Budget this year should focus on recirculating that wealth and making it work for everybody.

"Our wealth tax and wider tax proposals would also begin to tackle the desperate inequality that is a source of so many of our problems as a country.

"Taken together, we estimate that changes to Capital Gains Tax and National Insurance, alongside a new wealth tax, would raise over £50bn per year that would be available for the vital public investment our country is crying out for.

"We need to face up to the long-term threats to our economy, and the

immediate costs which are currently being carried by those who can least bear them.

“We need a large-scale green investment programme to transform our economy from one reliant on cheap labour and fossil fuels to one that puts people and planet first.

“We need to deliver a housing programme that offers people warm, affordable-to-heat homes and helps councils cut people’s energy bills by upgrading home insulation.

“We need to invest in a health and social care system that guarantees dignity for all and to end the blight of long-term sickness. The rising cost of social care is hitting councils hard. Our reforms could help them too.

“We need to give a hand to hard-pressed small businesses in the hospitality sector which have been hit by Covid and the cost-of-living crisis. The temporary 5% VAT rate should continue and extend to all activities in the cultural and sports sectors, and leisure activities. Indeed, we would be more ambitious, zero-rating all these activities for the life of the next Parliament.

“The Conservatives have broken Britain and Labour seems to be shredding any policy that might fix it. Our five-point Green Budget alternative would create a fairer and more caring country.

“Of course, this ambitious programme of rebalancing our economy toward planet and people and away from profiteers and speculators must be paid for. That’s why we are proposing an immediate wealth tax and other tax reforms, while recognising that much of the investment would generate revenue in the medium- and long-term.

“Our wealth tax on the super-rich and wider tax reforms would be the fair way to fund the things we need to create a healthier society – high quality housing, social care and good jobs in a green economy.

“The Institute for Fiscal Studies (IFS) has warned the Chancellor: “the economic case for tax cuts before the next Spending Review is completed is weak” and reliant on severe cuts to local government, disability benefits and other key public services. The IFS is also correct to note that “the UK’s tax system is in dire need of reform.” [2]

“Our approach offers a fairer, greener alternative – it doesn’t pay for election tax bribes by slashing spending on public services.

“Instead, it argues the case for real reforms and investment that put people and planet first.

“That is why we are proposing a wealth tax that will begin to shift the cost of dealing with the long-term crises we face away from those who can least afford to pay it to the super-rich.”

NOTES TO EDITORS

[1] [budget-background-v3.pdf \(greenparty.org.uk\)](#)

[2] <https://ifs.org.uk/publications/context-march-2024-budget>

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