

Spending the £39 bn – cutting VAT

Once we take back control of our money and laws we can review the incidence and level of VAT. It becomes a UK tax on 29 March next year, after years of it being an EU imposition.

I have set out before my wishes. Surely most can agree we should abolish VAT on green products. We wish to encourage people to have more draught excluder and insulation, and to have better controls on their heating systems, yet the EU charges them top rate VAT on it all. Lets simply abolish it.

I would also like to see us abolish VAT on domestic fuels. Fuel is expensive, and hits those on lower incomes particularly hard. Successive governments say they want to tackle fuel poverty. The best contribution they could make would be to remove the tax on fuel.

We should also abolish VAT on female hygiene products.

These changes would create some loss of tax revenue, but are easily accommodated within the savings of £39bn if we leave without giving the EU a present. I set out the costings of all this in the Brexit budget I offered as an illustration of the scope prior to the referendum.