

The Treasury should give back some of its windfall profits from energy taxes.

The biggest winner from sky high oil and gas prices is the government. Half the pump price you pay is duty and VAT. The VAT has surged as oil prices rose. If your petrol came from North Sea Oil the government has also taken another slug of tax from the oil producer, charged as a windfall profits tax at double the standard corporation tax.

Those who shout for a windfall profits tax on oil companies to give back to consumers should demand such a hand back from the government instead as they are ripping you off for driving and home heating with their taxes. BP made an overall loss of a colossal \$20 bn in the first quarter. Yes the company made more on selling petrol but it had to write off its huge investment in Russia. In 2020 thanks to lockdown the group also lost \$20bn for the year as a whole. Labour did not suggest then giving them a subsidy or tax rebate to help them out.

I have tried before to get the oil companies to put the government take on the pump and show it is many times the oil companies profit. They did not want to do so. That is a pity as it leaves some motorists thinking the bulk of the high price is extra profit when the bulk of the high price is a government tax rip off. No government is about to stop these taxes on petrol so they could at least give some of their windfall back to consumers as tax cuts on other taxes.

If the U.K. gets a reputation for still higher and erratic taxes it will put off investment and make it more difficult to increase domestic supply. Surely the best answer to our struggles is more home output?