



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

Caroline Lucas MP
House of Commons
London
SW1A 0AA

24 OCT 2018

Your ref: ML.C0080.RD.03.10.18

Dear Caroline

Thank you for your letter of 3 October to the Chancellor of the Exchequer about Amazon. I am replying as Minister with strategic oversight of the UK tax system.

As you will appreciate, what I can comment on is constrained by HM Revenue and Customs' (HMRC's) duty of confidentiality and the fact that Ministers do not get involved in the affairs of individual taxpayers.

However, I would like to reassure you that HMRC works hard to ensure that all taxpayers pay the tax that is due under the law to fund the UK's essential public services. HMRC subjects large businesses to an exceptional level of scrutiny and actively investigates around half of the UK's largest 2,000 businesses at any one time. Every large business is assigned a Customer Compliance Manager – a senior tax specialist who is backed by the necessary expert teams (risk analysts, forensic accountants, solicitors and audit specialists), precisely so that HMRC can get to grips with the complexity of a company's tax affairs and the compliance risks they pose.

Thanks to this approach, between 2010 and 2018 HMRC collected and protected £62 billion in additional revenue from large businesses. This is tax that would have gone unpaid without HMRC's proactive intervention.

I would also like to thank you for your Budget representation regarding a Digital Tax Service. My officials are examining your ideas and suggestions. While it would not be appropriate to respond in detail to the points you make at this stage, I can assure you that your suggestions have been noted.

Thank you for taking the trouble to make us aware of these concerns.

Mel Stride

RT HON MEL STRIDE MP