

## Cabinet Minister Declines to Dismiss Wealth Tax as Autumn Budget Nears

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A senior government figure has refused to rule out the introduction of a wealth tax in the United Kingdom (UK), fuelling speculation that the upcoming Autumn Budget may target high-net-worth individuals to plug a widening fiscal gap. Transport Secretary Heidi Alexander stated that the government is keeping “all options” on the table, emphasising fairness as a key consideration. However, she refrained from confirming any specific

tax proposals and noted that final fiscal decisions rest with the Chancellor.

In interviews with LBC and Sky News, Ms Alexander stated that “those with the broadest shoulders should bear the heaviest burden,” a remark viewed by many as a signal that wealthier Britons could face additional tax liabilities. She stressed that any potential policy would focus on “those at the very top” and reiterated the government’s promise not to raise taxes for people on “modest incomes.” Her comments come amid pressure on Chancellor Rachel Reeves to find billions in revenue without breaching Labour’s manifesto pledge not to increase Income Tax, Value Added Tax (VAT), or National Insurance (NI).

Comments from Labour figure Lord Neil Kinnock have drawn attention after he expressed support for exploring a wealth tax, though he stopped short of formally proposing a 2 per cent annual levy on personal assets exceeding £10 million. Supporters claim such a measure could raise up to £11 billion per year. However, independent economists have cast doubt on that figure, pointing to enforcement difficulties and the risk of capital flight. While the government has not formally backed the proposal, it has also refused to rule it out, prompting concern among investors, business owners, and fiscal conservatives.

Critics argue that implementing a wealth tax would be economically reckless. Lord Nick Macpherson, former Permanent Secretary to the Treasury, warned that such a move could trigger capital flight, deter foreign investment, and ultimately yield less revenue than projected. He suggested the government should instead focus on reforming existing mechanisms like Capital Gains Tax (CGT) and Inheritance Tax (IHT),

which are already designed to address wealth distribution without undermining economic stability.

From a centre-right perspective, the idea of penalising success risks damaging Britain's reputation as a place for enterprise and innovation. At a time when the country needs to encourage growth, productivity, and investment, floating a wealth tax sends the wrong message to job creators and high earners.

With the Autumn Budget fast approaching, the government faces a choice: pursue populist tax hikes that may score political points but harm economic confidence, or opt for smarter, more balanced reforms that preserve Britain's competitiveness while ensuring fiscal responsibility. The right path must support growth, not punish it.