

# Tax avoiding Conservative financier Lord Ashcroft forced out of the shadows

**Anthony Gajadharsingh, Labour Prospective Parliamentary Candidate calls for local Tories to come clean**

Conservative Deputy Chairman, Lord Ashcroft, the man bankrolling the Conservatives, has finally been forced out of the shadows. For ten years, William Hague, Michael Howard and David Cameron have each concealed the truth about his status. By his own admission, Lord Ashcroft has given millions to the Conservatives and may be the largest single donor of all time.

In 1999, when Conservative leader at the time William Hague first recommended Lord Ashcroft for a Peerage, he was rejected. It was only in 2000, after he promised to return to live in Britain and pay tax here, that the House of Lords allowed him to become a member. This week we found out that was a promise he never kept.

His company, Bearwood Corporate Services, is at the centre of a major investigation by the Electoral Commission.

Reacting to this news, Anthony Gajadharsingh said:

"Instead of paying tens of millions of pounds in tax-money that could have helped pay for schools and hospitals - Lord Ashcroft has chosen to spend the money on David Cameron's campaign.

"Instead of paying fair taxes, like everyone else has to in Chesham & Amersham he has been channelling millions into the Conservative Party to help them buy this election. So next time people in Chesham & Amersham see glossy Conservative leaflets or letters, they have a right to feel these expensive Tory campaigns have come at the cost of a new school or a new hospital wing in Chesham & Amersham.

"I have three very simple questions for the Conservatives Chesham & Amersham in relation to Lord Ashcroft: Was David Cameron right to conceal the truth about Lord Ashcroft's status? Will they pay back any money they got from him directly or indirectly? And will they rule out any future donations from him or his companies?

"I can't rely on the millions of Lord Ashcroft's money. But I can promise you that I will fight this election on the issues that matter. I won't allow my fight for a fair future for people in Chesham & Amersham to be bought off by a billionaire from Belize.

"This is precisely what you'd expect from the old Tory party of the 80s and 90s. It just goes to show that rather than having really changed his party, David Cameron has kept it as it was. David Cameron has said he has changed his party. Lord Ashcroft showed how little they've changed. They're just the same old Tories.

ENDS

## Notes for Editors:

1. Lord Ashcroft is trying to redefine his original promise. He wants to suggest that when he said he would become resident, he didn't actually mean "resident"; that when he said he would cease to be a "tax exile", he didn't mean he would cease to be a non-dom; that when he said he would come and "live in Britain", he didn't mean full-time.

In 1999, the Honours Scrutiny Committee rejected Lord Ashcroft as a Peer.

On December 9 1999, following legal action with The Times, Ashcroft agreed a statement "that he intends to reorganise his affairs in order to return to live in Britain."

William Hague wrote to confirm that Lord Ashcroft would become resident in Britain , adding that "this decision will cost him (and benefit the Treasury) tens of millions a year in tax."

- "Mr Ashcroft has told The Times that he recognises the public concern about the foreign funding of British politics, and that he intends to reorganise his affairs in order to return to live in Britain." (The Times, December 9 1999)

- "After Lord Ashcroft nomination for a peerage was rejected in 1999 - in part because of his status as a tax exile - Mr Hague wrote to Downing Street demanding a change of heart on the grounds that the businessman intended to become resident in Britain "in order properly to fulfil his responsibilities in the House of Lords". Mr Hague added: "This decision will cost him (and benefit the Treasury) tens of millions a year in tax, yet he considers it worthwhile." Guardian, 9 November 2007

<http://www.guardian.co.uk/politics/2007/nov/09/uk.conservatives2>

2. In his memorandum to William Hague in 2000, Lord Ashcroft promised to become "resident" - not just "ordinarily resident", but "resident". If you are "resident" you'd pay tax on all your earned income - not just your UK income.

However you can get round paying tax on your foreign earned income if you use an accounting definition that allows you to be "ordinarily resident" but not actually "resident". This would allow you to be a non-dom and pay tax only on your UK income. However to satisfy that requirement you would need to spend fewer than 183 days a year in the country - which hardly sounds like returning to live in the UK.

*Is Lord Ashcroft technically a "resident" taxpayer?*

*Does Lord Ashcroft spend more than a 183 days a year in the UK?*

3. I have now given well in excess of £10 million to the Conservative Party. I will never know whether I am the largest political donor of all time because, until recently, the size of political donations was never made public. (Dirty Politics..., (London, 2006), p.304).

4. For enquiries please contact Anthony Gajadharsingh on 07833290756.