

MOTION FOR FULL COUNCIL – 19TH NOVEMBER 2013

THE FINANCIAL TRANSACTION TAX (FTT)

Council notes that:

- Local Government will see real term cuts in central grant of 28% over the 2010 Spending Review period, meaning a cut of £6bn in annual grant by 2015;
- Extending the current FTT on shares to other asset classes such as bonds and derivatives could raise £20bn of additional revenue a year in the UK alone;
- At least 11 European nations including France, Germany, Italy and Spain are moving ahead with FTTs on shares, bond and derivatives estimated to raise £30bn a year.

Council believes that:

- Revenues from the FTT could help repair the damage caused by cuts in public services since 2010;
- Local Government deserves to receive a significant proportion of FTT revenues making an important contribution to both capital and revenue expenditure such as reversing cuts to Council Tax benefits; and that
- Whilst an FTT might have a negligible effect on jobs in the City of London, investing FTT revenues in a smart and progressive way would see a significant increase in employment levels in other sectors.

Council therefore resolves that:

- The UK Government should extend the current FTT on shares to other asset classes, such as bonds and derivatives.

Council further resolves to:

- Write to the Prime Minister, Deputy Prime Minister, Leader of the Opposition, Chancellor and shadow Chancellor, and to the Secretary of State for Communities and Local Government, copying this letter to both local MPs, stating this Council's support for extending FTTs.

Proposed: Councillor Andrew Scarborough



Seconded: Councillor Shashikant Dholakia

