

A budget to ease the squeeze

Here's an idea. Take the surge in extra tax on energy higher prices have brought, and give that money back to struggling taxpayers. The Treasury is collecting a mighty windfall. extra revenue from North Sea oil and gas already paying double Corporation Tax. Some say that's £8 bn extra so far. Extra VAT on inflated home energy bills. More tax at the petrol and diesel pumps.

This may amount to say a total £15 bn. That would mean the government could

Abolish the extra National Insurance imposed

Suspend VAT on fuel

Increase the Warm Homes discount

Increase Universal Credit

Cut Income tax by 5% off the rate, taking it to 19%

Carry the cost of some of the renewable obligations on fuel prices for a period whilst gas prices remain elevated.

It is a bad idea to collect much more tax from producing and buying energy when the price of energy has just rocketed.

It is not the windfall tax that is so popular but the thought the money from it could be given back to customers of energy companies. the sum involved is much smaller than the extra tax the government is already taking off us, so give that money back instead.