



# The Fair Tax Mark

## A Short Guide for Supporters

This short guide will help you understand what the Fair Tax Mark is, how it works and why we believe it matters. We'd love you to read it through and then take action to support it. You can follow us online, spread the word to people you know or go further and talk with companies about why they should get the Mark.

# Tax matters

Tax matters. It means we can pay for the goods and services we all need to use, like roads, free education and healthcare. But it also means a fairer economy for businesses by ensuring a level playing field to help smaller companies compete against bigger ones. Tax, then, is vital for our economy to run healthily and for the benefit of our wider society.

Unfortunately, some companies opt to avoid paying their corporation tax in order to make more money themselves, harming the wider economy.

## KEY FACTS

- > Tax pays for the public goods and services we all use, like hospitals and roads
- > If large companies avoid tax, it makes it harder for small and medium ones to compete with them
- > The government's official estimate for how much tax is avoided is £36bn, but many non-government tax experts and campaigners believe it's much higher, rising to around £116bn (Tax Research)
- > Large businesses avoid at least £9.5bn in tax each year (HMRC)

The past few years have seen scandal after scandal as specific companies have been exposed as aggressive tax avoiders. Public anger has grown and tax now consistently polls as consumers' main concern about business behaviour.

## From all this, the Fair Tax Mark was born.

We exist to help companies do the right thing on tax. By certifying companies with the Mark, we encourage more businesses to pay their fair share and to do so proudly, and we give the public a way to know which companies they can trust.

**64%** of people agree they would trust a business with the Fair Tax Mark more than one without it.

We've been going since 2014 and are growing year on year as more and more businesses realise that tax can be a positive thing. Our accredited companies range from big to small and are varied in structure, including co-operatives, mutuals and social enterprises right through to multinational corporations. They include FTSE 100 energy company SSE, co-operative food shop Unicorn Grocery in Manchester, cosmetics retailer Lush and digital experts Helpful Technology. You can see all our businesses at [www.fairtaxmark.net/our-businesses](http://www.fairtaxmark.net/our-businesses) or search our map at [www.fairtaxmark.net/map](http://www.fairtaxmark.net/map).

So if you see a company with the Fair Tax Mark on display, you know it's paying its fair share and reporting on it openly and transparently.



And the more companies we can get winning the Mark, the closer we get to a fairer economy.

# How the Fair Tax Mark works

The Fair Tax Mark is awarded to companies which have passed our Fair Tax Assessment. We devised this over a year-long pilot with input from tax experts, academics, accountants, businesses and campaigning organisations. Its criteria represent the gold standard for transparency on corporation tax. You can find the criteria at [www.fairtaxmark.net/criteria](http://www.fairtaxmark.net/criteria).

We only award the Mark after rigorously assessing a company's accounts. If companies don't achieve enough points in the initial assessment to be awarded the Mark, we work with them to improve their reporting, for example by asking them to publish a tax policy which commits not to abuse tax havens. Then, once they reach enough points, we award them the Fair Tax Mark and celebrate their commitment!

## About the Criteria

We currently work with two types of business:

- > UK registered companies which operate only in the UK
- > UK registered companies with multinational operations

This means we don't accredit companies which are registered abroad, and we also don't accredit 'sole traders' who don't pay corporation tax.

Our criteria look at a range of tax-related information in companies' accounts. Some things are obvious, such as whether the company has a tax policy committing them to not abusing tax havens, or

examining how much tax they've actually paid and what their explanation of it is. But we also look for other information, such as who actually owns the company, what it does and where it's trading from. These things may sound obvious but hidden ownership and shell companies are huge problems when it comes to fair tax.

For multinational companies, we also require public 'country-by-country reporting' (CBCR). This is information about their operations in all the different countries within which they work, including about how much profit they make, how many employees they have and more. CBCR helps us to know where companies are really operating and what they're doing in those places. It prevents companies from using fake businesses to hide their profits in lower tax countries.

## About us

We started in 2014 and we're a community benefit society. We're a not-for-profit, which means all the money we bring in, whether from the fees paid by companies or from charitable grants, go straight back into helping build the fair tax business community and persuade more companies to do the right thing.



# What you can do

**If we're going to build a fair tax future for our economy, we need your help.**

## **1) Support Fair Tax Mark companies**

How you spend your money sends a clear message about what ethics you want to encourage, so by shopping with a Fair Tax company, you're supporting a fairer economy for all. Use our interactive Fair Tax Map at [www.fairtaxmark.net/map](http://www.fairtaxmark.net/map) to find your nearest Fair Tax certified shop.

## **2) Buy Fair Tax Mark services for your business**

If you work for a company or in local government, you're probably buying services from other businesses, whether its staffing, energy or IT support. You can help support the Fair Tax Mark by selecting certified businesses to buy these services from. Just take a look at [www.fairtaxmark.net/our-businesses](http://www.fairtaxmark.net/our-businesses) on our website and see if you can find what your company needs.

## **3) Talk to a company about getting the Fair Tax Mark**

We'd love you to speak with businesses about the Fair Tax Mark. It might be the company you work for, a favourite local shop or restaurant, or a business you think would like to celebrate their ethical credentials. You can find a model letter/email on our website at [www.fairtaxmark.net/supporters](http://www.fairtaxmark.net/supporters).

## **4) And don't forget...**

You can support us by signing up to our mailing list and following us on Twitter [@fairtaxmark](https://twitter.com/fairtaxmark) and Facebook too.

## **KEY FACTS FOR TALKING TO BUSINESSES ABOUT THE FAIR TAX MARK**

### **Why businesses want the Mark**

- > To stand out against competitor businesses, whether winning consumer business or contracts
- > To be a leading voice on the most important corporate responsibility issue of our time
- > To instil pride in employees and give customers confidence
- > To reassure investors that they're at the leading edge of risk management
- > To win public and media attention for your commitment
- > To be part of a growing UK-wide network of businesses who want to lead on responsible practice
- > To get ahead of the curve of new tax regulations and legislation

### **People care about tax**

- > 77% of people agree that they would rather shop with a business which can prove it's paying its fair share of tax
- > 77% of people agree that they would rather work for a business which can prove it's paying its fair share of tax
- > 56% of people say they would switch businesses in favour of one with the FTM

If you've spoken to a business and they're interested, pass them on to us by dropping us a line at [info@fairtaxmark.net](mailto:info@fairtaxmark.net) and if they accredit, we'll be sure to celebrate you as a Fair Tax Champion!



Call 0161 226 2929  
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