ABOLISH INHERITANCE TAX

PROTECTING FAMILY FARMS, BUSINESSES, AND HOUSEHOLDS

RESTORE BRITAIN

THE MORAL CASE AGAINST INHERITANCE TAX

Quite apart from its fiscal pros and cons, inheritance tax (IHT) might be the single source of government revenue that most disturbs our national conscience.

We are talking, after all, about a de facto tax on death. It is no surprise that a YouGov poll released in advance of last year's autumn budget showed that 54% of the British public want to see IHT scrapped altogether.[1]

The only serious moral argument for IHT is rooted in a narrow mindset that cares above all for individual self-making and nothing for the happiness of posterity. This attitude is well-represented by the billionaire Bill Gates's proud decision to deprive his own children of the vast majority of his wealth on the grounds that, as he put it, "They need to have a sense that their own work is meaningful and important."[2]

Needless to say, at Restore Britain we believe in the importance of striving, but we reject the atomised account of human nature inherent in Gates's remarks. As social beings with deeply felt inter-generational bonds, we work not just for ourselves, but for the good of our families, unborn as well as living. A civilisation that treats its own offspring as no better than random strangers, entitled to nothing but the right to start again from scratch, has become corrupt. This degrades any link between the generations, resulting in an unrooted dystopia where, as Edmund Burke once warned, individual men and women "become little better than the flies of a summer."[3]

Yet it is this very outlook, anti-civilisational to its core, that underlies elite support for IHT. The basic idea is that we are wrong to tax static wealth that individuals have earned for themselves, but that it somehow becomes right to do so once these same individuals wish to pass that wealth on to their own children at the end of their lives.

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[1] James Ward, YouGov poll ahead of November Budget shows over half of the British public want complete abolition of IHT, Kingsley Napley, 10 October, 2025.
[2] Heather Saul, Bill Gates: 'Our children won't be left billion-dollar trust funds', *The Independent*, 20 March, 2014.
[3] See Edmund Burke, *Reflections on the Revolution in France* (1790).

The extent of the immorality is best driven home by reflecting on the plight of Britain's farmers, lately singled out by the Chancellor Rachel Reeves for a punitive death tax on their (mostly non-liquid) assets. She announced in her autumn 2024 budget that the Labour government plans from April 2026 onwards to impose a 20% IHT on all agricultural assets worth more than £1 million. Due to some noisy, high-profile farmers' protests, that threshold has since been raised to £2.5 million, but as far as we at Restore Britain are concerned, the moral outrage of taxing death remains.

Besides, while IHT is outrageous enough in principle, when levied against farmers it is bound to cause especially grim second-order effects. Even rural families who succeed in weathering the attack on their livelihoods will be forced to pass on the various costs of adjusting to such volatility to the consumer, leading to higher prices for staple foodstuffs. The Labour government's get-out has so far been to insist that their measure is intended only to target rich, 'tax-dodging' farmers. After the initial announcement in late 2024, this line was backed by the number-crunchers at the Treasury. They argued that, since there were a mere 462 inherited farms valued at over £1 million (the threshold is now £2.5 million, of course, but the point of principle is unchanged) in 2021-22, it is reasonable to suppose that the number of farmers affected by the new death tax will be somewhere in the region of 500 per year.[4] Surely such a tiny number of farmers, the crude idea runs, must be inordinately rich if they qualify?

The problem is that Reeves's underlings crunched the numbers in a very peculiar, self-serving way. Both the National Farmers Union (NFU) and the Country Land and Business Association (CLA) warned soon after Reeves's announcement that as many as 70,000 farms stand to suffer from the new IHT. They did so on the basis of calculations, verified not only by the BBC but also by the government's own Department for Environment, Food and Rural Affairs (Defra), that around 30-35% of British farms are worth over £1 million.[5] With a total of 209,000 farm holdings in the nation as a whole, that yields a figure of

[4] See HM Treasury, Summary of reforms to agricultural property relief and business property relief, Statistical annex: distribution of claims at death for agricultural property relief and business property relief in 2021 to 2022, 30 October, 2024.
[5] See Tamara Kovacevic, Anthony Reuben & Gerry Georgieva, How many farms will be affected by Budget tax rises?, *BBC Verify*, 1 November, 2024.

around 70,000. Given the newly raised threshold, the number affected will now be smaller, but as the CLA president Gavin Lane has pointed out,

> *"Many family businesses will own enough expensive machinery and land to be valued above the [increased £2.5 million] threshold, yet still operate on such narrow profit margins that this tax burden remains unaffordable."*[6]

The critical point remains, then, that whether the farms impacted are hit this year or later down the line does not change the fact that many hard-working farmers who care for the world they leave behind are now forced to live in the shadow of a looming tax bill – one that, given the considerable number of those working in agriculture who are asset-rich but cash-poor, is bound to put many of the men and women who produce the nation's food out of business.

The government hoped simply to distract us with their 500-per-year figure. All this low-ball estimate reflects is the fact that, short of an apocalyptic scenario, not every farmer with assets valued at over £1 million (again, now £2.5 million) is going to die in the space of a single year. It is a dim-witted tautology to point out that only the dead are affected by a tax that punishes death. Since we all die in the end, the real story is that a great many more than 500 farmers – a profession with the same rates of mortality as any other – will be fleeced by the state eventually, if not right away.

Moreover, the Labour government's attack on farmers will do profound damage to the English countryside. Families in possession of large agricultural holdings, but too cash-poor to foot a six-figure tax bill upon the death of a loved one, may have no choice but to sell the lot – and there can be no doubt that all sorts of vultures, from global conglomerates to tasteless property developers, are already swirling around these rural homes in the hope of taking advantage.

The same raid has now been launched on family businesses as such. From 6 April onwards, so-called business property relief (BPR), which once spared many asset-rich but cash-poor enterprises from the claws of IHT, is also set to

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[6] See Kate Whannel, Georgia Roberts & Joe Pike, Government waters down inheritance tax plan for farms, *BBC News*, 23 December, 2025.

have its scope narrowed.[7] As with the attack on farmers, the objective is to enlarge a British state that increasingly does little to serve us at the expense of the British people themselves. A Restore Britain government would tolerate no such thing and reverse this spiteful measure.

In our view, IHT is best understood as a form of class warfare. Especially when waged against farms and other such inter-generational ventures, it is not so much a matter of the poor against the rich, but a matter of making life harder for conservative-minded folk who toil with their hands and cushier for the nation's wasteful bureaucracy of managerial pen-pushers. It helps, of course, that the members of this bureaucratic class vote overwhelmingly for left-wing parties and make up the most parasitic parts of our public sector. Thus, while social workers, DEI consultants, and other such mandarins are treated as deserving clients of the state, everyone else gets treated as little more than a cashpoint.

A Restore Britain government would bring an end to this obscene state of affairs. The chief beneficiaries would be the most essential and productive members of our society: hard-working farmers, small family businesses, and anyone else singled out by the state's perverse desire to loot the dead and punish the grieving.

As we shall now see, the short-term fiscal costs of leaving the pro-civilisational alone can be offset by defunding the anti-civilisational forces within Britain's bloated public sector. The Blob must be made to give way to a freer, less molested civil society.

[7] See HM Revenue & Customs, Agricultural property relief and business property relief changes, 3 March, 2026.

THE FISCAL ROUTE TO ABOLISHING INHERITANCE TAX

The amount of revenue gathered by IHT is naturally linked to rates of mortality and the price of any assets that stand to be inherited upon death. These being fluid variables, it follows that IHT does not raise a fixed number of pounds for the Exchequer each year. Receipts rise and fall in line with other factors, none more than the two mentioned above: death rates and asset value. According to the Office for Budget Responsibility (OBR), on present trends IHT is expected to bring in about £9 billion in 2025/26. This would amount to a mere 0.7% of all forecast tax revenue.[8]

There are plenty of areas where the requisite savings can be made to ensure that getting rid of IHT is fiscally feasible. It has been reported that returning Britain's working age welfare bill to pre-pandemic levels alone would save the Treasury £47 billion – five times the probable cost of abolishing IHT.[9] There is no doubt that scrapping Britain's obscenely expensive net zero targets would also help.

These will be addressed in future, but for the purposes of abolishing IHT we believe that fiscal viability is best secured by bringing an end to the very worst kinds of ideological waste elsewhere. To be precise, we would target the most grossly politicised parts of Britain's bloated public sector for a Javier Milei-style *¡afuera!* This means everything from taxpayer-funded DEI jobs to state-backed non-governmental organisations (NGOs) engaged in the racket of disguising politically contentious activism as charity.

Many within the public sector, it must be said, do excellent and essential work. However, it is a legitimate cause for concern that this sector of our economy, being more inclined to consume than generate resources, should be as massive as

[8] See Office for Budget Responsibility, Inheritance tax, March 2025.
[9] Jeremy Hunt, There's nothing inevitable about this tax-raising, growth-choking Budget: I should know, *The Telegraph*, 22 November, 2025.

it is today. As of 2024/25, public spending took up a breathtaking 44.3% of our national income.[10] To insist that none of this could ever reasonably be cut betrays a lack of imagination.

According to a Conservative Way Forward report, public sector bodies have in recent years wasted up to £212 million enlisting the services of DEI officials across all kinds of institutions, from the NHS to Warwickshire County Council. The same report found that £880 million of taxpayer money has been injected into the coffers of 'charities' that push open borders, trans ideology, and climate alarmism. Overall, the authors estimated that "over £7 billion worth of savings ... are to be had by the British taxpayer if the government [a Conservative one when the report was first published] stops funding the politically motivated campaigns that are dividing us and making us poorer."[11]

This eye-watering sum has no doubt climbed higher under the Labour government. The situation becomes even more absurd when we remember that the Treasury itself initially expected the new IHT on farmers to raise little more than £500 million per year by the end of this decade. Put in perspective, that is the equivalent of 25 hours' worth of NHS spending.[12]

Alas, there is a legislative basis to much of this wasteful subsidisation of left-wing activism. Some of the worst actors within the Blob have been empowered by David Cameron's policy of enabling all sorts of fanatics and ideologues to register as charitable do-gooders. Under s. 3(1)(h) of the Charities Act (2011), the term "charitable purposes" was redefined to include "the advancement of human rights, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity."[13] Bad enough as written, in practice this provision has entitled many of the most subversive activist organisations, from HOPE not Hate to the Runnymede Trust, to receive legal tax breaks and generous state grants. Restore Britain would repeal s. 3(1)(h) of the Charities Act (2011), as well as any similar sections

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[10] See Institute for Fiscal Studies, Risks and challenges for the public finances, 16 October, 2025.
[11] The Conservative Way Forward website has since been disbanded, but for an overview of the report's findings, see Daniel Hannan, The Conservatives have become a party of handouts – especially to their enemies, *The Telegraph*, 2 September, 2023.
[12] See https://x.com/DaysofNHS/status/1858643353459454255?s=20 .
[13] See Charities Act (2011).

in Tony Blair's earlier Charities Act (2006) that Cameron's later version was effectively designed to develop and consolidate.

As for DEI, repealing the Equality Act (2010) in full – together with its derivative updates – would remove any statutory basis for taxpayer-funded DEI jobs within our costly public sector. We recommended as much in our previous paper, *Mass Deportations: Legitimacy, Legality, Logistics* (2025), but the case for repeal is so overdetermined as to merit restating in this context, too.[14] For good measure, all DEI or otherwise egalitarian positions within the public sector should then also be banned outright.

One last problem is that much of state funding to subversive organisations goes through innocuous-seeming intermediaries. The freelance journalist Charlotte Gill has done heroic work shining a light on these more underhand tactics of the Blob in rewarding its loyalists.[15] As things stand, the ease with which the British government prevents certain entities from receiving taxpayer money is noteworthy. We all know that there is zero danger of, say, Rupert Lowe's Rape Gang Inquiry or the Centre for Migration Control finding themselves showered with public funds any time soon. The process by which some are rewarded and others overlooked needs to be made more transparent. Is getting to the truth about the most horrific racial atrocity in British history, as Lowe's crowd-funded Rape Gang Inquiry sought to do, really a less worthy service than the sort of smear campaigns run by the attack dogs at HOPE Not Hate? We reckon not.

In our view, therefore, the Charity Commission must be brought under the direct control of accountable ministers. This was deliberately prevented by both the Charities Act (2006), which established the Charity Commission in the first place, and then again by s. 13(4) of the Charities Act (2011), which consolidated its 'independence' from elected politicians.[16] Restore Britain would repeal these provisions and incorporate the Charity Commission more directly into the

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[14] See Rupert Lowe & Harrison Pitt, *Mass Deportations: Legitimacy, Legality, and Logistics* (2025), Restore Britain, pp. 20-21.
[15] See Charlotte Gill, Substack.
[16] See Charities Act (2006) & s. 13(4) of Charities Act (2011), which reads: "In the exercise of its functions the [Charity] Commission is not subject to the direction or control of any Minister of the Crown or of another government department."

Department for Culture, Media and Sport, which is already responsible for appointing its chair and board members. Last of all, the relevant minister ought to keep a non-exhaustive, publicly accessible red, yellow, and green list: red for non-profits forbidden any public funding or tax breaks, yellow for non-profits forbidden only public funding, and green for non-profits able to claim both. The vast majority of non-profits should probably find themselves on the yellow list, but that would be at the discretion of elected ministers answerable to Parliament. These rules, founded in law, would then bind all government offices and public authorities as a matter of primary legislation.

We plan to produce more detailed costings at a later date. For now, we note with confidence that these changes can be trusted to save us the relatively small sums of money needed to reward public-spirited Britons who wish to leave the fruit of a lifetime's labour to their loved ones. This would redound as much to the benefit of small family businesses as to our nation's farmers.

Restore Britain means to flip the narrative. It is not the hard-working farmers who feed us or the honourable families who look out for their descendants who are bleeding Britain dry, but the expensive habits and moral preening of a sclerotic, anti-British Blob.

A Restore Britain government would abolish IHT in all its malignant forms.