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Tax flight? Britain's wealthiest and their attachment to place

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Britain's policymakers, like many around the world, are concerned about the emigration of top taxpayers in response to tax policy. Existing evidence on this kind of tax flight is either quantitative or comes from a handful of high-profile individuals issuing politicised warnings about tax migration in the media. We know little about how the wealthy actually consider their tax burden when making decisions about where to live. This report summarises new qualitative research exploring the migration decisions of Britain's wealthiest and highest earning individuals. Specifically, we draw on in-depth interviews with 35 individuals, all of whom were in the top 1% of the distribution by income and/or wealth, to explore whether top earners and wealth holders in Britain would consider migrating for tax reasons and what they value most when deciding where to live.

Key findings:

- None of the individuals we interviewed were currently planning to migrate out of the UK for tax reasons or were actively considering tax migration in the future. Furthermore, among those who had made the decision to leave the country, tax did not feature as the central driving force for their move.
- The vast majority would never consider migrating for tax reasons. A combination of career risks, administrative burden, familial upheaval, attachment to the places they call home (predominantly London Zone 1 and to a lesser extent Zone 2), and reputational risk, were cited as the main reasons underpinning this decision. However, many were concerned that top tax rates in the UK were currently too high and would rise further.
- There is a stigma attached to tax migration. Interviewees were disparaging about those who chose to move for tax purposes. Some judged tax migrants on moral grounds as unduly economically self-interested, while others expressed a snobbery about tax-advantageous destinations as boring and culturally barren.
- A minority of interviewees said they would not 'rule out' tax migration but only if the political and economic conditions in Britain changed dramatically. A return to top tax rates seen in the 1970s or a Jeremy Corbyn-style government were frequently cited as 'red-line' conditions.
- Interviewees were sceptical about the prevalence of tax migration in the UK. Most acknowledged that tax was a factor in decisions they and their wealthy or high earning colleagues and friends made about where to live, but this was rarely decisive.
- Interviews with London-based individuals revealed that the most important factor underpinning their reticence toward tax migration is the attachment they have to Inner London as a place to work and live.
- Key 'pull' factors were easy access to London's unparalleled cultural infrastructure (particularly high culture like opera, theatre, ballet, contemporary art), the ability to maintain

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key social ties, access to privatised health services and private schools, and a more general attachment to British culture and values.

Introduction

A key barrier to tax reform in the UK is concern about the migration responses of the very wealthy and top income earners. Politicians, commentators, and senior figures in the private sector commonly issue very public warnings that increasing tax on high earners or wealth holders will lead them to leave the country, with negative impacts on the national tax base and the economy as a whole.² There has been, for example, extensive media coverage of the tax-motivated migration of certain high-profile business figures such as Sir Jim Radcliffe and Sir Richard Branson. This was followed by several reports ahead of the 2019 General Election from lawyers and accountants that many of their wealthy clients put in place plans to leave the country if Jeremy Corbyn's tax proposals materialised.³ More recently, fears have also been voiced that the super-rich will leave the UK if the Labour party comes to power and abolishes the 'non-dom' tax regime.⁴

Yet evidence for tax-induced migration is more modest than politicians and the public commonly presume. Existing quantitative studies show that while there is sometimes significant migration *within* countries with internal tax competition (such as Switzerland) as a response to differences in tax rates, evidence of increases in *international* migration following hikes in income, capital gains or wealth taxation is much more limited.⁵ In addition, Young et al (2016) find that in the US – another country with internal tax competition – there is low millionaire migration in response to tax differences between states.⁶ In the UK, the only existing quantitative evidence comes from a recent study by Advani, Burgherr and Summers (2023), who estimated the effect on migration of a 2017 tax reform that effectively withdrew 'non-dom' status from some of the wealthiest and most internationally mobile individuals in the UK.⁷ In contrast to media reports claiming that the reform had led to an 'exodus of millionaires',⁸ the authors' analysis using tax data showed that there had been minimal impacts on emigration.

This is not to say that the wealthy and high-income earners are not responsive at all to tax changes. Existing studies using tax data show that people who have already migrated before, for example, do tend to be more responsive than natives to tax changes and there is often a statistically significant migration response overall. However, the key point that emerges from this research is that generally such effects are not large enough to matter for fiscal purposes, because the overall impact of tax increases on migration rates amongst top earners and the wealthy is sufficiently small that it is more than outweighed by the additional revenue generated from those who stay (and those who continue to arrive).⁹

Why, then, are media reports so full of quotes from wealthy individuals preparing to flee the UK at the first mention of a tax rise, even though the quantitative evidence suggests that only a very small proportion actually take this step? Whilst making for compelling 'copy', there are

² Mortimer (2023); Lynn (2023)

³ Neate (2019a; 2019b)

⁴ Bowen (2023); Siniscalco (2023)

⁵ Kleven et al (2020); Advani and Tarrant (2021)

⁶ Young (2016)

⁷ Advani, Burgherr and Summers (2023)

⁸ Mortimer (2023)

⁹ Kleven et al (2020); Muñoz (2019)

some reasons to think that the wealthy voices spotlighted in news articles about tax migration may not be representative of wealthy people overall. For example, it may be that many wealthy individuals who choose to speak out in the media about tax migration have a political motivation for doing so or are sought out by journalists because they are known to have a particular viewpoint on the issue. These perspectives are also often mediated via tax professionals, who even if attempting to provide a ‘neutral’ representation of their own client-base, are bound to be disproportionately exposed to those who are thinking of leaving.

With this project, we aim to address this tension between quantitative evidence suggesting low levels of tax migration and journalistic accounts threatening very high responsiveness, by conducting a rigorous qualitative study of tax migration based on systematic analysis of in-depth semi-structured interviews. Specifically, we conduct interviews with 35 individuals in the top 1% of the wealth and/or income distribution to explore whether they are considering, or would ever consider, migrating for tax reasons. Our approach also allows us to delve deeper into the specific factors that the wealthy highlight as most important to them when deciding where to live. Whilst previous studies have identified various possible factors such as proximity to work¹⁰, education for their children¹¹, and culture and lifestyle¹², our study is the first to investigate directly how people weigh these considerations alongside tax.

Methodology

We draw here on in-depth interviews carried out between March and May 2023 with 26 individuals in the top 1% of the UK wealth distribution (i.e. have over £5 million in household wealth¹³) and 9 in the top 1% of the income distribution (i.e. they or their spouses earn more than £130,000¹⁴). Notably, 22 interviewees are well above this threshold and have over £10 million in wealth, which would place them within the top 0.1% by household wealth. Interviewees all either currently reside in the UK or have lived in the UK for a significant period of their working lives. Four of the interviewees currently live abroad and four have spent significant time abroad before returning to the UK. Two interviews were carried out with couples.

Survey recruitment was done through two parallel processes. 20 interviewees were recruited via a survey sent out in June 2022 to entrants to *Who’s Who* – the leading biographical dictionary of “noteworthy and influential” people in the UK, which has been published every year since 1897. *Who’s Who* primarily documents an elite based on position spanning all areas of professional life.¹⁵ The survey provided data not included in *Who’s Who*, including a person’s total wealth and income, and also their policy preferences in a number of key areas including tax policy. 3,061 people responded to the survey, a response rate of approximately 14% (which is similar, if not higher, than other surveys of elites), and 1,735 stated that they would be happy to be interviewed for future research. From this sample we recruited a sample of 20 interviewees who we knew from the survey had over £10 million in assets. 15 further interviewees were recruited via personal networks or via organisations that represent the very wealthy.

¹⁰ Muñoz (2019); Advani, Burgherr and Summers (2023)

¹¹ Pierre (2003)

¹² Surak (2021)

¹³ Advani et al (2021) estimate that the wealth threshold for the top 1% in the UK is approximately £2 million.

¹⁴ Delestre et al (2022) estimate that the income threshold for the top 1% in the UK is approximately £130,000 a year.

¹⁵ Around 50 percent of entrants are included automatically - Members of Parliament, peers, judges, ambassadors, FTSE100 CEOs, Poet Laureates, Fellows of the British Academy, and many others are included by virtue of their office. The other 50 percent are also positional elites but are selected based on reputation by a board of long-standing advisors.

Mindful of research indicating that more left-leaning individuals are less likely to opt for tax migration¹⁶, we balanced our interview sample to include individuals who lean both to the left and the right on issues of tax policy and wealth redistribution. Specifically, the *Who's Who* survey included a number of questions about respondents' policy preferences in a number of areas, including whether government should prioritise economic growth, whether tax rises should fall on the rich, and their preferences for tax and spend more generally. This allowed us to select a sample that varied in political orientation.

We also wanted the sample to include people who had previously lived in the UK but had decided to leave the country. This is because there is a danger that only interviewing people who currently live in the UK may underrepresent individuals who are more responsive to tax and may have already chosen to leave for this reason. In this way, eight of the individuals with whom we arranged interviews had either left the UK and were living elsewhere (4) or had left the UK for several years at one point in their lives but had now returned (4). This represents an over-sampling of 'leavers', given that even amongst non-doms – widely perceived as an especially mobile population – quantitative evidence suggests that the (annual) emigration rate is 'only' around 15%.¹⁷

Table 1 (see end of report) provides demographic information about the gender, ethnicity, age, occupation, residential location, and political orientation of each interviewee. Reflecting the national demographic profile of the wealthy and top income earners in Britain, our sample is notably skewed towards white men aged 50 and above, working in 'City-type' jobs in finance, consulting, accounting and law, and living in wealthy neighbourhoods in Inner London. However, as Table 1 demonstrates, many interviewees do not fit this profile and we were particularly effective in purposively oversampling women¹⁸.

Interviews were semi-structured, lasted between one hour and two hours, and were conducted either in-person at the interviewee's home, at LSE, or online. Interview questions covered four main areas.

- 1) We asked about respondents' social background, including questions about their parents' occupation, their schooling and how they perceived their class background.
- 2) Interviewees were asked about the places they have lived during their adult lives, and how they have made decisions about where to base themselves.
- 3) We asked about migration – both in terms of any migration decisions interviewees had made in the past but also the personal and professional reasons that might motivate or prevent them migrating in the future.
- 4) Finally, we asked a set of more directive questions about tax and tax migration, including whether they had considered tax migration, how they have responded to tax changes in the past, whether they know anyone who had had migrated for tax reasons, and how prevalent they think tax migration is. We wanted to ask these questions towards the end of interviews to see if issues of tax were mentioned spontaneously in

¹⁶ A survey experiment by Engelmann et al (2023) took account of political ideology and found that those with left-leaning ideologies were more unlikely to choose migration even if it made economic sense.

¹⁷ Advani, Summers & Burgherr (2023), 'Tax and Migration by the Super-Rich'

¹⁸ It is worth noting that the majority of these women were wealthy or top-earners in their own right rather than as a result of being in a relationship with top-earning or wealthy men.

people's discussions of place and migration, and also because questions about personal financial circumstances and tax can be sensitive.

We take anonymity and confidentiality extremely seriously. Many of the questions we asked in interviews were intimate and provocative, and being identifiable could have a serious bearing on our participants' careers and wider reputations. Our concern was thus not only that interviewees would be identifiable to the general reader, but also that they may be recognisable to colleagues in their particular field. For this reason we take a number of steps to ensure anonymity. First, we refer to all participants with pseudonyms. Second, we modify the characteristics of some interviewees, or details about their lives, in order to ensure they are not identifiable. However, in masking certain details, we have avoided making changes that are likely to affect the reader's capacity to evaluate our arguments (such as major changes to demographic characteristics).

Most would never move for tax reasons

Of the 35 people we interviewed for this research, none stated that they were currently planning to emigrate or immigrate for tax reasons. In fact, the vast majority of interviewees were clear that they would never consider moving for tax reasons:

"I wouldn't leave for tax reasons. I wouldn't leave because the tax rates were too high or because I was expected to pay my share. I wouldn't go to a tax haven." (Leanne, 60s, consulting)

"I've never heard of a family saying no to a contract [at his firm in the UK] because of the tax rate. Never. That's never come up even. People complain. But never a no because of that." (Gabriel, 40s, extractives)

As these quotes illustrate, tax was not seen as a major factor in decisions to emigrate *from* the UK, nor was it seen as a key consideration among people who had at some point immigrated *to* the UK. Similarly, among those we interviewed who had already made the decision to leave the UK, tax had not figured significantly in their decision-making. They reported professional reasons as a key motivator, even if tax benefits were sometimes a welcome side-effect:

"At the time I left [for Dubai] I had no understanding at all very honestly that it was a tax free environment, no understanding at all that financially it could kind of be a good move." (Ella, 30s, professional services)

Eden, who had lived in the US for around eight years before recently returning, mentioned that tax did not feature as a major factor in his decision to leave the UK nor to come back. While he paid less tax in the US, he highlighted the relative simplicity (for him) of the British tax system:

"Yes, so it wasn't something that really played a role in going there and I guess in terms of coming back, you know, I was coming back to be nearer family was a big part of it. Plus, you know, the offices, the business is based here. So it wasn't like I could say, 'I'm going to go and locate myself in Jersey instead,' or something. So it wasn't a huge factor. My tax rate here is definitely higher than it was in New York. On the other hand, the US tax system is very, very complicated. It was partly like, yes, I know I'm going to be paying more tax but I'm saving money on school fees, I'm saving money on some of the day-to-day stuff, I'm saving money and time on travelling and I get more

simplicity on the tax side because I'm now- when I was in the US, I was paying taxes in two places, now I'm only going to be paying taxes in one place. It's a more straightforward system. It's just much, much easier." (Eden, 40s, finance)

For some the UK becomes attractive in terms of tax advantages after they arrive, rather than tax being a motivating factor for immigration. This was the case for Peter and Bea (now based in Belgium) who were not aware of the tax benefits they would enjoy before moving to London to work in finance. Their employer organised tax advisory services for them upon arrival. They benefitted from these advantages for a significant amount of time whilst living in the UK but also stated that this type of assistance did not feature as a factor they considered when making decisions about moving either to the UK or away from it:

"We only found out afterwards about the tax benefits for expats, you know. So, of course, you got an offshore account in Jersey or something but there was no focus on it. That is all provided for. You have a relocation service and they say, "Sign here," and you get an account. And that is because of the tax regulation and you do not really compare to what the normal treatment would be for a local, you know. It just happens." (Peter, 50s, finance)

Instead, Peter and Bea had been much more motivated by the idea of 'living abroad' and the subsequent professional opportunities and status offered by working in a high-powered job overseas. Furthermore, their reasons for leaving the UK and returning to Belgium were personal and related to family circumstances, as opposed to financial.

This is not to say that interviewees were satisfied with current levels of tax on high-income earners and wealth holders in Britain. Most felt strongly that such rates were too high and were knowledgeable about the ways in which they could significantly minimise their tax burden by migrating. Most were also concerned that tax rates in the UK would rise in the future, particularly under a future Labour government. Yet notably these concerns had not precipitated a serious consideration of tax migration:

"I haven't really, I sort of thought at one point about moving for fiscal reasons but at the end of the day I don't think that's probably a good idea. I think if you start to think in those terms...I mean you want the quality of life that you have, that's my view...Yes, at the moment the tax rates over here are, in my view, very high, and I think they're likely to get higher if I'm being honest with you, but at the end of the day we'll just have to deal with it." (Luke, 50s, law)

"We're miles off that at the moment, but if there were penal taxes, particularly which hit wealth, I think it would be crippling. [But] I think people would stay put. I can't see myself budging. I can see myself cursing and having to pay a lot of tax. And I can also see myself wasting huge amounts of money with accountants and lawyers, seeing how I can legally avoid it." (William, 50s, finance)

It is worth noting that a significant minority of interviewees would not 'rule out' tax migration. However, this was often expressed as an unlikely last-resort scenario and accompanied by phrases like 'never say never' (Bill, 50s, accounting), 'it would take a lot to leave over taxes' (Wilfred, 50s, consulting) or 'something quite extreme would have to happen' (Bill, 50s, accounting). These people explained that for this to be a serious consideration the political and economic conditions in Britain would have to change in a fairly extreme manner. A number

mentioned a return to tax rates in the 1970s (where, for example, the top rate of income tax was as high as 98% and the top rate of inheritance tax was 80%), or a Jeremy Corbyn-led government, as examples of such ‘red-line’ conditions:

‘I think it would have to become really extreme... I mean I hope we’re now past the point where we get crazy extremes here. You know obviously people like me look at the Labour Party with a bit of suspicion and we think, well you know whatever they’re saying now, will they put tax up? Will they harm me financially? It didn’t really happen during the last Labour Government... So people think about, when they talk about crazy taxes, they think back to the 1970s and you know there was this famous case where if you had a particular mix of income you could pay 98% or something tax on it. Well that obviously was terrible but I think most sane people now would regard that as terrible... So something quite extreme would have to happen to make me move now.’ (Bill, 50s, accounting)

‘Were we to live in the tax regime that applied in the ‘70s, then yes the answer is probably, when we came back from Hong Kong, we would have, we’d have gone somewhere else... Because it was so punishing and you- I freely admit I’ve earned a lot of money but with the ‘70s regime I’d have earned remarkably little, net. So, you work your socks off and got paid virtually nothing... so, if they went back to that it... not at 74 but at 45, yes, I’d have said, “Well sod you I’m off.” But going for real punitive tax it wouldn’t force me out because I’m old, but if I was younger I’d go... I did think if [Jeremy Corbyn] got in I might have to sell this house and move. I mean I wouldn’t want to but yes it did cross my mind.’ (Christopher, 70s, corporate law)

Others mentioned that aggressive tax increases may increase out-migration in the long term but it was unlikely to have immediate effects because most wealthy people have a range of non-financial ‘constraints’ that take precedence in their decision-making calculus:

‘I think that a lot of it is something longer-term, right? It’s not necessarily- I’m sure there would be some people who would leave but a lot of people are constrained by, you know, jobs, families, schools, all of these things. But, you know, if you start aggressively taxing higher earners then it would definitely have an impact over time. [...] Yes, I think there’s an impact. I don’t think that necessarily these people will book their flight tomorrow, I think it’s more people leave over time and fewer people come in over time.’ (Eden, 40s, finance)

Despite the above, most interviewees were sceptical about the prevalence of tax migration more generally. They acknowledged that a few people might leave the UK, and some even mentioned that they knew one or two people who had migrated for tax reasons, but this was only ever likely to be a small minority. Some felt that the phenomenon was artificially inflated by politicians as a means of resisting pressure to increase tax, while others noted that the most likely response to tax hikes would be that the wealthy and top earners would ramp up their use of legal tax avoidance strategies:

‘I think it’s used as a stick to create fear, that all the wealthy people would leave. Of course you would get some people leaving. I’m not saying you wouldn’t. That would be inevitable. There would be a proportion of people leaving to different jurisdictions that suited them more from a tax perspective. For their beliefs and their way of living. But I actually think it would be the minority.’ (Mary, 50s, philanthropy)

“But in my circle or among the people I know, the wealthy, no they’ve stayed in the UK. I mean they might have bank accounts abroad in offshore accounts and invested offshore but they are still living in the UK.” (Rosalind, 50s, retired)

“I don’t think, or I can’t imagine, that tax would play any role in that. Because, you know, the absolute salary without the tax implication, it’s so much and - yes, I can’t really think that would be a main driver.” (Bea, 50s, finance)

What is striking about these narratives is not just the fairly unlikely tax changes that these people cite as the threshold for changing their intentions but also some of the other life factors that they would have to weigh alongside tax changes in thinking about migration. Many retirees like Christopher mentioned age, for example, and explained that the administrative upheaval of migration was too significant at a later stage in life, or the pull of familial connections too strong.

Younger interviewees also described a complex calculus when weighing up migration, with career opportunities and future prospects often central to their thought process. Notably, several interviewees explained that they had actually renounced better professional opportunities or higher salaries in other countries because they wanted to stay in the UK. Most noted that with the exception of certain industries (notably finance), the salary-to-cost-of-living ratio in the UK and particular in London compares poorly with other jurisdictions. Interestingly, though, these economic conditions did not dominate their decision making. Thomas (business, 60s), for example, claimed that he would have made 50% more money over the course of his career if he had made the move to the USA to ‘chase the coin’, as he put it. But he said he did not even really discuss this option with his wife, and there was no way he would have left. Gabriel, an internationally mobile high-income earner, highlighted how people in his company are well-aware of the financial trade-off of working in London but stay because they generally love the City:

“I remember when we first talked about - what if we were offered a place in London? What would happen? And I think ironically we said well we may not take it because we wouldn’t be able to save money, you know. Which actually even people two or three levels above me in the company are like, ‘For your time in London you don’t have any savings. The salaries are so low, compared to the U.S. which is traditionally high salaries.’” (Gabriel, 40s, extractives)

Interviews indicated, in sum, that tax was at best a minor consideration for Britain’s wealthiest and highest earning individuals in decisions about relocation. Tax may be ‘part of a package’ of factors that ‘influence’ people’s decision-making, as Bill put it, but on its own it was rarely decisive. If it was, as Gabriel noted, ‘everyone would be moving to Dubai.’

The stigma of tax migration

Interviews not only demonstrated how peripheral tax migration is in the calculus of Britain’s most wealthy and highest earners. It also revealed the stigma attached to this kind of practice – even among those who identify with the political right. We were struck by how disparaging interviewees were about those who chose to move for tax purposes. Notably many interviewees appeared to judge tax migrants on moral grounds, implying that such individuals were selfish or at least unduly economically self-interested:

“You need to be a certain character to move for tax purposes.” (Thomas, 60s, business)

“At the end of the day if you make tax your be all and end all in terms of determining your decision as to where to live, I think that’s probably a dangerous thing to do in terms of your mental wellbeing and everything else, you know.” (Luke, 50s, law)

“I’m not like that, you know. I have a lot of friends who, you know, they don’t domicile there...and they were like, “Oh they’re going to change this.” Or, you know, “I’m going to make £5 million less a year.” And, you know, “This place doesn’t deserve me.” So it’s like you know what? Just fuck off, all right? You know, seriously. You know. If that’s the reason why [you] live here...There’s always somebody to replace you, you know, it’s not rocket science what you’re doing and that’s the case.” (Wilfred, 50s, consulting)

“And I just thought the non-doms were all appalling. And I just, they have private everything, healthcare, roads, you know, they never use a public library, they never use public transport and I just think they are dreadful...I have met a lot of people who have avoided tax and evaded tax, who think it’s really funny. And I just think it’s awful.” (Marianne, 50s, culture)

“The only time I had an obvious opportunity to live abroad for a bit was when my husband sold shares in his company and his accountant came along and said, “If you go and live in France for two years, you won’t have to pay capital gains tax.” But we were so horrified by that suggestion that we didn’t move abroad and we paid capital gains. The accountant talked to us for about a quarter of an hour and then he looked at us and said, “I can see that you are not going to do this.” And we said, “No we are not.”...Quite nice but we thought it was immoral.” (Gillian, 60s, philanthropy)

For some, particularly (but not only) those who identified with the political left, the perceived immorality of tax flight was strongly connected to concerns about the financing of the welfare state. Many suggested that paying tax was a pivotal component of citizenship, and central to maintaining public services:

“I pay my taxes because that’s what it takes to live in a civilised society.” (Wyatt, 70s, consulting)

“The national health service is incredibly expensive, and the benefit system is incredibly expensive. We have a weight of expectation on the state that other countries don’t necessarily have, which is fine, but it costs, and those people who expect a world class health service and then not to have to pay tax are living in fairy land. You take your choices if you want a sort of social system that cares for you from cradle to the grave and is always there. It’s expensive. I’m not commenting one way or the other on the subject. I’m just saying, you can’t have your cake and eat it, you’ve got to decide what sort of country you live in. I mean Scandinavia has had the social democratic model for 60 years, taxes there are very, very high but people perceive that they get value for money because you have a level of social care and welfare.” (Luke, 50s, law)

“I think tax is essential. We have really got to be mindful of the fact that we have got an infrastructure that is crumbling around us, whether it is health service, schools, which are the fundamental bedrock of our society.” (Walter, 60s, CEO)

Alongside this kind of moral boundary-drawing, many also expressed a cultural snobbery about the destinations that tend to be chosen by tax migrants. Places like Dubai, Switzerland, Singapore, Hong Kong, the Bahamas or the Cayman Islands were characterised as ‘boring’ and culturally barren:

“There was a moment when the bankers’ tax came in, they wanted to go up to 50%. My husband said we should move to Switzerland. I said no way, Switzerland is boring.” (Anna, 40s, spouse – finance)

“Yes, what puts me off it is that I have a nice life here [In London], you know, My clients who moved to the Bahamas were bored to death. Sun, sea and sand. Okay, it’s great for a couple of weeks to charge the batteries but after a while you think, well, I’d quite like to go and watch an opera, well, you can forget that, there’s not a theatre in the Bahamas.” (Luke, 50s, law)

“I wouldn’t go to a tax haven. Can you imagine anything worse than going to a tax haven? Some tiny little place with just people with yachts and servants. So no, I wouldn’t leave for that kind of reason. I mean I do despair of, I mean I want to live in a vibrant economic climate where there’s room for innovation and you know people are inventing and I think London is like that.” (Leanne, 60s, consulting)

“If somebody had offered us Hong Kong...It’s a wonderful, not now, but it was a fabulous place with young children, but it’s a very artificial society and...Well, I don’t particularly like Dubai. I find it quite authoritarian. It’s pretty hard to get a beer, which is never very attractive from my perspective. Singapore’s all right. I find it a bit sterile. I always describe Singapore as being the sort of place that if Walt Disney had to invent an Asian city, they would invent Singapore.” (Brad, 60s, law)

“I mean my first choice would be to stay in the UK...With my mother we did visit Switzerland, we did look around Switzerland to see if that was of interest but Switzerland’s boring.” (Rosalind, 50s, retired)

“And then if [you] move to the Middle East and [you] are in gated communities and stuff like that. I never found that attractive in any way, right.” (Bea and Peter, 40s, finance)

These sentiments are important in underlining the stigma that often surrounds tax migration. To many wealthy individuals, tax migration is a conspicuous (and potentially damaging) public signal that you are purely motivated by extrinsic (rather than intrinsic) rewards; that you are a certain ‘type of character’, as Thomas admonished. For others, the stigma is less moral and more cultural; it indicates that you are ‘boring’ and lack cultural capital. Either way, such stigma underlines an important dimension in understanding tax migration. When weighing such a decision, wealthy individuals do not just consider their own financial situation or lifestyle but are also very conscious about what tax migration may signal to others, both other wealthy and rich people and the general public. Tax migration, in other words, is considered a significant reputational risk.

Place matters for the wealthy

What is clear from the accounts we have detailed so far is that the ‘push’ factors of tax emigration and immigration are complex. While the wealthy are knowledgeable about the extent to which such moves would impact their individual tax burden, they are also mindful of the career implications, administrative burden, familial upheaval, and reputational risk that may accompany such a decision. Beyond this, they were also clear that the push factors of moving were strongly mediated by ‘pull’ factors of immobility; of remaining where they currently live.

Indeed, perhaps the most significant theme in our interviews was the importance of place for Britain’s wealthy and top income earners, and in particular their connection to London as a setting to work and live¹⁹. As noted, the majority of our interviewees lived in wealthy neighbourhoods in Central London, and this emerged in interviews as central to their identities. Most spoke passionately about their attachment to London and how it provided a unique platform for their chosen lifestyle and career, as well as the maintenance of key relationships with friends and family. Underpinning this was the central theme of convenience; the ability to walk to and from work, to access local independent shops and amenities, to generally traverse the Capital with ease:

“I’m very fortunate in where I live because it’s on the edge of Hyde Park so I have the joy of the park but I have the convenience of taking the bus and going straight into town or walking into town. So I have the best of both worlds. I have the pleasure of walking around, the pleasure of the park and all the facilities that come with the park. And the beauty of Hyde Park and the surrounding areas. But then when it comes to working or doing shopping or just the kind of the everyday life, I have the convenience and the privilege of just crossing the road having supermarkets, taxis, museums there. Theatres, cinemas and life. Just there on the other side of the road. It’s there. So I’m never bored. And I’ve never been bored.”
(Rosalind, 50s, retired)

“I quite like that you can just walk to the food shops, buy the food and come home again. That sort of thing. And then I do like that you can walk or get on a bus and, you know, go to theatres and art galleries and opera and stuff like that.
I value the local shops. I value being able to get on the Tube or the train. I value the connectivity of where we live. I value that hugely. And- Yes. Just being able to get places.”
(Mary, 50s, philanthropy)

What is striking about these narratives is the value interviewees place on being able to enjoy a particular urban, cosmopolitan, cultured lifestyle in London. Digging into this further in interviews, a number of key pull factors emerged that attract and bind the wealthy and top earners to the UK (and London in particular) and together shape their reticence toward emigration.

The pull of London’s cultural infrastructure

One of the most significant factors shaping interviewees’ attachment to London was culture. As Dina proclaimed: ‘London is the greatest cultural city in the world’. Here many were keen to stress that London possessed a unique and unrivalled cultural infrastructure, particularly in terms of highbrow culture such as opera, classical music, dance, theatre and visual art:

¹⁹ This finding connects to recent research showing the high concentration of non-doms living in central London (see Advani et al, 2022)

“Before [Covid] I went far more to the theatre...I go every Tuesday near here [to a literary event]... and on Monday they do the guided walks in London, which I do with a small group. And on Wednesday there’s a [University Professor] who gives lectures.” (Stephen, 80s, finance)

“I like London life, I enjoy the opera, I enjoy what London has to offer.” (Luke, 50s, law)

“I am very keen on music and culture generally so I go to a lot of opera and ballet and concerts, classical concerts. I like the convenience of it. I like going to art galleries.” (Gillian, 60s, philanthropy)

“There is a lot to be said for London. I think was it Samuel Pepys who once said ‘if you are tired of London, you are tired of life’. I can understand exactly where he’s coming from.” (Brad, 60s, law)

“If you care about art, music, theatre, then [London] is the place to be.” (Dina, 80s, retired)

“The notion of this big brain drain is complete nonsense and I will give you the answer why in two words and that is National Gallery or National Theatre, you know...that’s why people aren’t going to leave London.” (Marianne, 50s, culture)

As these accounts demonstrate, culture was a key concern for many of the wealthy people we spoke to, particularly access to high culture. Notably, discussions of London’s cultural offering were often conducted alongside talk of the importance of being able to access the city’s cultural infrastructure with ease. Living in Inner London therefore provides our interviewees with a way of life that would be very difficult to replicate elsewhere, even for those in the top 1% of the wealth distribution.

Individuals value private services

Similarly, our interviewees very much valued ease of access to specific services aside from cultural infrastructure, including private health care, schools and transport. Being within close proximity to high quality healthcare was highlighted as being of significant importance to a number of interviewees, including those who had experienced it in relation to members of their own family (in the case of elderly relatives) or if they considered themselves to be of a certain age where they might require more frequent medical care. Again, the private options available in London were important here:

“Then if you’re ill you need the convenience of doctors, be it NHS doctors or even private doctors. Hospitals... Access to healthcare. Some friends of mine who’ve moved out of London they say the hospital, there’s only one hospital for miles around. And you wait an hour and a half for an ambulance because you’re out- and I just thought, I’m in town, why would I want to go out and stand in my kitchen and look out at the fields? You know.” (Rosalind, 50s, retired)

“As I say, the medical support, it sounds strange, that, and a lot of people it never even occurs to them but when you’ve had two parents that you’ve- and, you know, (we) really were at the sharp end of looking after them as they declined, when you’ve had

that you do think far more forensically about, you know, geography and being in the right place.” (Luke, 50s, law)

Private schools also played an important role in the decision making of many interviewees. While Inner London was of less importance here, as private schools do not have catchment areas, the number and perceived quality of private schools in London and the South East more generally were often cited in discussions about why people had decided to bring up families in this part of the UK. Brad, for example, talked about wanting to ‘buy’ his children ‘a very good if not the best education’ and therefore targeted two particular very elite London private schools. Similarly, Wendy talked about how ease of access to certain private schools was the overarching reason why she decided to stay in one part of North London for such a long time:

“And we got stuck there because James went to a special school and then he got into private secondary school. But then Lily got into [a very prestigious private school in North London], which was literally up the road. So, we got stuck there.” (Wendy, 70s, administration)

Social networks are key

A significant theme stemming from this study was that of the importance placed on the maintenance of key social networks for our interviewees. Indeed, proximity to family and friends emerged as a key theme in discussions about place, and why they would not consider migration. Here many interviewees talked in particular about the importance of being close to children and grandchildren and being able to help with childcare:

“Well I wanted to stay in the area. I’ve got step-children who I am very close to. And grandchildren, actually, step-grandchildren who I am very close to and they all live-well they live in Hampstead and Highgate. So I wanted to stay in North London rather than move, say, back to Chelsea or something like that.” (Gillian, 60s, philanthropy)

“But our family are there (in London), our boys are there, and our grandchildren are there. So that’s- That family connection, to be able to see them- We wouldn’t want to be in another country, away from them.” (Mary, 50s, philanthropy)

“Yes. I mean we’re British and English and we love England and all the rest of it, but the kids are here. We do a lot of help with childcare.” (Wyatt, 70s, consulting)

Furthermore, among those who had made the decision to leave the country, family was often cited as a key reason for returning. Eden (40s, finance), for example, decided to come back from the USA to be ‘nearer family’. Similarly, Ella cited family as the key reason she may consider returning to the UK from Dubai in the future:

“I think it's family. Like when I look now, we've got young nieces and nephews and we just had my sister-in-law last week with her two kids. Like she just loved it. And I can see as she gets older, just being closer to like our immediate family. My parents, Martin's parents, they're getting older.. [...] And I feel like the point comes where it's like. OK. Well, we've done what we needed to do here. Like we've saved up our money. It's now time to make a selfless decision, which is then coming home.” (Ella, 30s, professional services).

Friendships were also stated as a core reason for staying in the UK (and particularly in London):

“Well now I wouldn’t move because I have my friends here. And I have never understood people who go away to holiday places instead of staying where they have their established friends. So I mean I care about my friendships and I told Patrick who said he thought we would retire to Miami, I said no way. You can retire to Miami. I am here. I am willing to come part of the year there but I am not leaving my friends.” (Dina, 80s, retired)

“Our life is in London. Our friends are in London.... I think in the end probably the most important thing for us is friendships.” (Hugh, 60s, finance)

“I can’t imagine living out of London, but I think that’s to do with family and friends, that’s what keeps me.” (Nora, 70s, retired)

Finally, a number of interviewees also talked about the importance of community networks and neighbours in terms of enabling a connection to local place:

“Oh yes. I think it’s a fantastic neighbourhood. One of the advantages of the communal gardens actually is you get to know people. But also we know quite a few people on the street, on this side, who we got to know over the years.” (Christopher, 70s, corporate law)

“Well around here, in this street, there are some really nice neighbours and there is a real sense of a tiny little community. I mean not just this street but people living in this little area. There is a kind of WhatsApp group and a kind of Residents’ Association which doesn’t seem to do very much but it exists. There is a feeling of being part of a group of people who live in this particular part of [the neighbourhood], I suppose.” (Gillian, 60s, philanthropy)

British culture matters

The final theme to emerge from interviews was a more abstract attachment to British culture and values. Again, this was often discussed relationally in terms of other countries, and particularly the perceived authoritarianism of some countries with favourable tax regimes like Dubai or Hong Kong. Notably many alighted on their connection to a distinctly British sense of humour:

“I know how the British think. I know the sense of humour. And even though when I’m in France and I have meetings or I do whatever when I’m in France, it’s in Paris, but when I come back home it’s London.” (Rosalind, 50s, retired)

Others expressed a strong sense of patriotism, particularly towards Englishness. For William, England is the ‘most civilised country in the world’ while Ronald declares himself ‘very passionately English...a white English man in my castle’.

Conclusion

Our findings indicate that tax is not a key consideration for wealthy and high-earning individuals when considering emigrating from, or immigrating to, the UK. None of the people we interviewed were actively considering moving for tax reasons. Many were certainly concerned that tax rates in the UK were too high but in weighing migration decisions this consideration was strongly superseded by concerns about the career risks, administrative burden, familial upheaval, attachment to the places they call home, and reputational risk, involved in making such a move. For these reasons, they were also largely sceptical about the extent of tax migration more generally.

Connected to this, our interviews also reveal a powerful stigma attached to tax migration. Interviewees were disparaging about those who chose to move for tax purposes, who they saw as unduly economically self-interested or accepting boring and culturally barren living environments. In contrast, London-based individuals cited the capital as a key ‘pull’ factor, particularly its unparalleled cultural infrastructure and the ability to access privatised health services and private schools.

These findings pose an important question: why do they stand in such stark contrast to the prevailing media narrative that ‘the rich are fleeing Britain’ to escape taxes?²⁰

We suggest two main reasons. First, the wealthy voices spotlighted in the media are typically highly selected. Sometimes this is because those interviewed are already known to be outspoken about tax, but more often it is because their perspective has been provided second-hand by tax advisors and other wealth management professionals. These intermediaries are both more likely to encounter individuals who are indeed thinking of moving, and more likely to interpret their motivations – which our findings have shown are likely to be multifaceted and complex – through the lens of tax. In contrast, although our sample is too small to claim strict statistical representativeness, it is at least not obviously skewed in these ways. We were careful to recruit participants with a range of political preferences and personal circumstances, and not to pre-select for their views on tax or tax-motivated migration.

Second, media reports into migration by the wealthy often appear in the political context of proposed tax rises, where wealthy interviewees may have a vested interest in threatening migration or at least foregrounding tax as a factor in their decision. In contrast, our interviews took place in a comparatively ‘policy-free’ context, where we began with a much more open-ended discussion with wealthy and high-earning individuals about what they value when making decisions about where to live. It was only once tax had been mentioned spontaneously – or towards the end of the interview if it had not been mentioned at all – that we pivoted to discussing tax as a potential factor. In this way, we were able to elicit views on the role of tax in the context of other factors, rather than pre-empting this narrative to the exclusion of others.

²⁰ Lynn (2023)

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Annex: Table 1 – Interviewees

pseudonym	age	gender	ethnicity	Occupation	Location	criteria for inclusion	political orientation
Walter	60s	Male	white British	CEO	South East England	over £10 million in assets	Centrist
Hugh	60s	Male	white British	Finance	Inner London (West)	over £10 million in assets	right-leaning
Boris	60s	Male	White British	Finance	South East England	over £10 million in assets	right-leaning
Christopher	70s	Male	White British	Corporate Law	Inner London (West)	Over £10 million in assets	right-leaning
Marianne	50s	Female	White British	Culture	Inner London (North)	over £10 million in assets	left-leaning
George	60s	Male	White Other	Corporate Law	Inner London (West)	over £10 million in assets	right-leaning
Stephen	80s	Male	White Other	Finance	Inner London (North)	over £10 million in assets	centrist
William	50s	Male	White British	Finance	South East England	over £10 million in assets	right-leaning
Laura	70s	Female	White Other	Culture	South East England	over £10 million in assets	centrist
Gavin	60s	Male	White British	Media	Inner London (North)	over £10 million in assets	left-leaning
Rachel	60s	Female	White British	Media	Inner London (South)	over £10 million in assets	Centrist
Mary	50s	Female	White British	Philanthropy	Inner London (South)	over £10 million in assets	left-leaning
Fiona	30s	Female	White Other	Consulting	Switzerland	high income earner	centrist
Gabriel	40s	Male	Asian-American	Extractives	Inner London (West)	high income earner	Centrist
Georgina	40s	Female	Asian-American	Consulting	Inner London (West)	Spouse of high income earner	left-leaning
Ronald	60s	Male	White British	Telecommunication	South West England	over £10 million in assets	right-leaning
Brad	60s	Male	White British	Law	South East England	over £10 million in assets	right-leaning
Bill	50s	Male	White Other	Accounting	Inner London (West)	over £10 million in assets	Centrist
Anna	40s	Female	White British	Spouse, Finance	Inner London (West)	Spouse of high income earner	left-leaning
Nora	70s	Female	White British	No longer working	Inner London (North)	over £10 million in assets	left-leaning
Rosalind	50s	Female	White British	No longer working	Inner London (North)	Over £5 million in assets	Centrist
Luke	50s	Male	White British	Law	Inner London (North)	Over £5 million in assets	right-leaning
Thomas	60s	Male	White British	Business	South East England	over £10 million in assets	Centrist
Anthony	50s	Male	White British	Business	South East England	over £10 million in assets	Centrist
Wyatt	70s	Male	White British	Consulting	Inner London (North)	Over £5 million in assets	Centrist
Wendy	70s	Female	White British	Administration	Inner London (North)	Over £5 million in assets	Centrist
Wilfred	50s	Male	White Other	Consulting	Inner London (North)	High income earner	right-leaning
Holly	60s	Female	white British	Law	Inner London (North)	over £10 million in assets	left-leaning

Dina	80s	Female	white British	No longer working	Inner London (North)	over £10 million in assets	Centrist
Leanne	60s	Female	White Other	Consulting	Inner London (West)	over £10 million in assets	Left-leaning
Gillian	60s	Female	White British	Philanthropy	Inner London (North)	over £10 million in assets	Left-leaning
Eden	40s	Male	White British	Finance	Inner London (West)	High income earner	centrist
Peter	50s	Male	White Other	Finance	Germany	High income earner	Left-leaning
Bea	50s	Female	White Other	Finance	Germany	High income earner	Left-leaning
Ella	30s	Female	White British	Professional services	Dubai	High income earner	Centrist