

News from Louis Letourneau.

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*Just which gay finance issues should we take into account at the next general election?
[Louis Letourneau](#) looks left and right before crossing.*

With a general election just around the corner, the centre of the political battlefield seems to be our tax system, and therefore what we pay for in terms of public services. It makes me wonder what to expect in the forthcoming budget (later on in March) and even after the election. Will the Chancellor offer some “sweeties” to try to ensure a decent Labour majority? What impact will this have on the gay community? Are the manifestos of the Tories and Liberal Democrats better or worse? Perhaps these issues may help some of us to decide how to vote and, more importantly, to go to vote in the first place.

Will income [tax](#) go up or down? Under a third Labour Government, my guess is that it may go up at some point in the future but not immediately. The Tories are pledging that they'll cut the rate by around 1% as well as increasing, significantly, personal allowances. They claim they would finance these cuts by stripping out all Civil Service red tape, inefficiencies and redundant programs, such as the Small Business Service, the New Deal schemes, and even by outsourcing Job centres. They also plan to reduce asylum administrative staff at the Home Office, and many jobs at the Department for Work and Pensions. Some of this sound reasonable, and cutting down on red tape is always a good thing, but I wonder how efficiently this can be achieved? The Home Office is stretched to the limit and already gives a raw deal to [gay asylum](#) seekers. If the Tories can achieve this without affecting the quality of service to the public, while maintaining an acceptable level of protection of civil rights, this would be a good thing - but can they? The Tories' track record on that front isn't good. On the other hand, the Lib Dems are planning to increase public expenditure in Education and Health – which is badly needed – by increasing income tax to 50% for high earners (above £100,000), which seems a fair choice under current fiscal constraints. However, they also plan to switch council tax to a system based on local income tax. This is dangerous stuff, and I think that the Lib Dems (and Labour alike) should think very carefully about the details, before even suggesting it.

After all this, however, it doesn't really matter what we say, as the politicians will change their minds anyway if they get elected.

Inheritance tax (IHT) is another sore point for all the major political parties. The Tories will review or even abolish IHT. If this were to happen, can we trust them to do the right thing with respect to the [Civil Partnership Act](#), which will be coming into play at the end of the year? What will they replace IHT with, and how are gay civil partners going to fit into a Tory world? Labour is widely expected to equalise IHT for civil partners in the forthcoming Finance Bill, but what if they start playing with an overall review of IHT as a sweetener for the election? Let's make sure that they pass this one before the election. The Tories also

want to reduce stamp duty on houses, which would be welcomed by a lot of [gay property](#) entrepreneurs, but is this necessary?

In an ideal world we all want to pay less tax and have better services, but someone has to pay for it, and society should choose what the money is going to be spent on. I think the gay community should make its voice heard during this election to avoid getting a raw deal. I'm particularly worried about cuts in services which affect the gay community, such as [HIV/AIDS](#) funding or sexual health provision, or funding that supports equality and anti-discrimination issues which may be dealt with by Government departments that could go under the knife. We still need to be vigilant in case the wrong people get elected to the wrong jobs.

Now may be a good time to start lobbying your current MP and his/her office to make sure they understand the issues for our community. (If you want to find the details of your MP use the Parliament "Constituency Locata" at: <http://www.locata.co.uk/commons/>).

Louis Letourneau, MA is an experienced independent financial adviser (IFA), specialist in financial planning and wealth management. He founded Rainbow Finance in 1995 and has consistently challenged financial companies and Government on their attitudes to gays, lesbians and same sex couples and was instrumental in the Inland Revenue to changing its guidance notes to recognise unmarried couples in pension benefits. His work has also resulted in life insurance companies starting to relax the discriminatory underwriting criteria toward gay men and people living with HIV. He was a founder of the Rainbow Research Project which surveys and educates private pension schemes in how they recognise unmarried couples on death benefits. He was also a founder member of the Stonewall Immigration Group (which campaigned for Immigration rights for same-sex couples, achieving a significant victory in April 1997) and helped set up the gaypartners.org initiative with gay.com in early 2001, campaigning for same-sex partnership rights. He speaks regularly on national and local radio.

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