

RK

Economy

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MARCUS FOX MBE MP
JOHN MOORE MP

MRS THATCHER

TAX CREDITS

The Party's attitude to Tax Credits has appeared in the Telegraph, Times and Guardian.

Our general reply has been that:

1. Our first priority is the reduction in direct personal taxation, and
2. That the Inland Revenue Computer is unlikely to be available during the life time of the next Parliament which would inhibit the introduction of a tax credit scheme. However tax credits remain an option for the Party.

In today's Times Patrick Jenkin is quoted as saying that the Party is "committed" to the introduction of tax credit systems which is not actually what he said. I spoke to him on the telephone this morning and I would much prefer that we did not attempt to correct that statement. It has not appeared elsewhere and a correction will cause more trouble than it cures. I think it would be better left, if you agree.

Gordon Reece
28.9.78