

PERSONAL AND CONFIDENTIAL



10 DOWNING STREET

From the Private Secretary

30 September 1985

GREEN PAPER ON PERSONAL TAXATION

The Prime Minister has seen the Chancellor's minute to her of 27 September, and the draft Green Paper on Personal Taxation.

In view of the importance and the cost of the Chancellor's proposals she has said the Green Paper must be discussed in a Cabinet E Committee and in Cabinet itself. The Prime Minister would not want to press the proposals at a time when the Treasury is seeking economies from colleagues. She would in any case not be willing to agree the Green Paper in its present form.

You told me the Chancellor would probably wish to discuss this further with the Prime Minister at their next Bilateral.

(DAVID NORGROVE)

Mrs. Rachel Lomax,
H.M. Treasury.

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