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# Communicating tax

Exploring alternatives to the  
government's Annual Tax Summary

Rebecca Bramall and Liam Stanley

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speri.

Sheffield Political Economy  
Research Institute.

## About the authors



Rebecca Bramall is a Senior Lecturer in Media and Communications at London College of Communication, University of the Arts London. Rebecca is currently researching tax culture in the UK after the global financial crisis, examining the cultural frameworks that help people to make sense of tax, public spending, and their taxpaying identities. Articles from this project have been published in *New Formations* (2016), *Celebrity Studies* (2017) and *Soundings* (2017).



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## Executive Summary

Tax is the lifeblood of society. It funds public services and contributes to the formation of citizen identities and solidarities. While public opinion continues to favour the payment of taxes, this support is jeopardised by prominent figures and organisations who advocate for a low tax society. A better understanding of the role of communications in shaping people's attitudes towards taxation will enhance the work of individuals and organisations who strive to counter anti-tax sentiment and to foster public confidence in the tax system.

This report presents the findings from a research project which examined the Annual Tax Summary, a personalised tax and spending statement sent to income taxpayers. Working with a range of stakeholders, we evaluated the Annual Tax Summary and explored alternative ways of reporting on and communicating about tax and public spending. The report draws attention to the political interests that inform fiscal transparency initiatives such as the Annual Tax Summary, and it challenges common sense confidence in data visualisation as a tool for delivering transparency. It questions forms of communication that monetise and individualise taxpayers' contribution to public spending, and that set certain groups of people in tension with each other. In response to each of these issues we offer recommendations for communicators who seek to champion the role of tax in society.

In the face of widespread anti-tax sentiment, there are many individuals and organisations in the UK who seek to champion the positive role that tax plays in society. The outcomes of this report are intended to serve as a resource for these progressive 'tax communicators'. We recommend that they should:

- 1. Challenge the perceived neutrality of tax transparency.**

Fiscal transparency initiatives such as the Annual Tax Summary are not politically neutral. On the contrary, they tend to position taxpayers as sceptical regulators of state spending and efficiency, and to foster anti-tax sentiment. Progressive tax communicators should seek to identify accessible forms of communication that promote openness and accountability while challenging the logic of public sector inefficiency that transparency initiatives often serve.

- 2. Adopt non-monetised framings of value.**

Forms of tax communication that monetise individuals' contribution imply that each individual taxpayer 'pays' for a share of government expenditure. This reductive way of framing fiscal contributions could be challenged through communications that express the value of tax in terms of the common good, and by foregrounding what government spending does for society, rather than what it costs the individual.

- 3. Promote inclusive taxpaying identities.**

Forms of communication that set certain groups of people in tension with each other – typically 'taxpayers' and 'non-taxpayers' – should be avoided. Tax communicators should seek more inclusive ways of positioning people in relation to the payment of tax in society, whether or not they pay income tax.

- 4. Assert the interpretative status of data visualisation.**

Data visualisation is widely seen to deliver transparency, yet this communication tool can obscure decisions that have been made in the design process. Tax communicators should encourage people to regard data visualisation as an interpretation of data rather than a statement of fact, for example by empowering end users to make decisions about how to organise and visualise fiscal data.

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## Introduction

Ten years after the global financial crisis, tax rises are back on the political agenda. There is an emerging cross-party consensus in the UK that income tax payments will need to increase in order for public services such as the NHS to be delivered at the level and quality that citizens expect. According to the British Social Attitudes survey, public support for higher taxation is slowly increasing to pre-crisis levels.<sup>4</sup> However, the political interests of those who advocate for a low tax society are well represented by pressure groups such as the Taxpayers' Alliance, a free market think tank that has become a key news source for the right-wing and local press.<sup>2</sup> While anti-tax sentiment is regularly rehearsed in the public sphere, tax has few public proponents and is rarely celebrated.

In the last few years there has been a growing interest in the stories that are told about the economy and the way these narratives shape public debate and popular understanding.<sup>3</sup> Individuals and organisations in the UK who seek to champion the role of tax in society are also beginning to address the role of communication and culture. There is an urgent need for these progressive 'tax communicators' to develop a better understanding of the stories that shape people's understanding of fiscal issues, and to identify modes of communication that can counter anti-tax sentiment and help foster public confidence in the tax system and government spending.

This report presents the findings from a research project conducted in 2018. We examined a form of tax communication introduced in 2014 by the Conservative and Liberal Democrat coalition government: the Annual Tax Summary, a personalised tax and spending statement that is sent to every income taxpayer. Through innovative, speculative, and collaborative methods, we evaluated the Annual Tax Summary and explored alternative ways of reporting on tax and public spending. Drawing on the outcomes of a collaborative workshop involving stakeholders with diverse perspectives on fiscal reporting, we developed key recommendations for communicators who seek to champion the role of tax in society. These recommendations were tested out by a team of designers, who developed and exhibited an alternative tax summary, the *Ministry of Tax*. The project's findings and outputs serve as a resource for the implementation of progressive tax communication and the development of further research in this field.

## Background

### Annual Tax Summary

The Annual Tax Summary (ATS) is a letter sent from Her Majesty's Revenue and Customs (HMRC) to individuals who make income tax contributions. It uses text, tables and a 'doughnut' chart to convey personalised information about how an individual's income tax and national insurance contributions have been calculated, and how that tax revenue has been spent by government.

**HM Revenue & Customs**

Mrs A N Smith  
1 Anywhere  
Anytown  
XX1 2YZ

**Your Annual Tax Summary 2013-14**

Dear Mrs Smith

For the first time we are sending you an Annual Tax Summary. This is to show you how your Income Tax and National Insurance contributions (NICs) are calculated and how your money is spent by the government.

**This is for your information. You do not need to contact us as this is not a demand for payment.**

**This is how we worked out your tax for 2013-14**

|  |                 |                  |
|--|-----------------|------------------|
| <b>Your taxable income</b>                     |                 |                  |
| Total income from employment                   |                 | £15000.00        |
| <b>Your income before tax</b>                  |                 | <b>£16000.00</b> |
| Less your 2013-14 tax free amount              |                 | £3440.00         |
| <b>You pay tax on</b>                          |                 | <b>£6560.00</b>  |
| <b>Your tax was calculated as</b>              |                 |                  |
| <b>Income Tax</b>                              |                 |                  |
| Basic rate Income Tax                          | £5560.00 at 20% | £1112.00         |
| <b>Total Income Tax</b>                        |                 | <b>£1112.00</b>  |
| <b>National Insurance contributions (NICs)</b> |                 | <b>£869.76</b>   |
| <b>Total Income Tax and NICs</b>               |                 | <b>£1981.76</b>  |
| <b>Your income after tax and NICs</b>          |                 | <b>£13018.24</b> |
| <b>Your employer pays</b>                      |                 |                  |
| <b>National Insurance contributions (NICs)</b> |                 | <b>£1068.40</b>  |

**For more information go to [www.gov.uk/annual-tax-summary](http://www.gov.uk/annual-tax-summary)**  
Go to our website to find out more about your Tax Summary, and for a list of indirect taxes such as VAT.

**Your taxable income**  
**£15000.00**  
We know this from information supplied to us by you, your employer(s) or your pension provider(s).

**Tax free amount**  
**£9440.00**  
After your allowances, deductions and expenses your total tax free amount for 2013-14 is **£9440.00**. This is the amount you received in the 2013-14 tax year without paying tax.

**Your tax and NICs**  
**£1981.76**  
This is 13% of your taxable income. For every £1 of income, you paid 13p in Income Tax and NICs.

**Your income after tax and NICs**  
**£13018.42**  
This is your income after Income Tax and NICs.

The table on the other side of this page shows how the government has spent your taxes.

Tax Summary for Mrs A N Smith for the tax year 2013-14

HMRC 05/14

**How your tax was spent in 2013-14**

The information on this page shows you how your Income Tax and National Insurance contributions were spent in 2013-14. This does not include indirect taxes such as VAT and other duties.

For more information about your tax and public spending, go to [www.gov.uk/annual-tax-summary](http://www.gov.uk/annual-tax-summary)

**How your tax contributed to public spending**

| Your contribution                      | £            |
|--|--------------|
| Welfare                                | £456         |
| Health                                 | £374         |
| Education                              | £261         |
| State Pensions                         | £240         |
| National debt interest                 | £139         |
| Defence                                | £105         |
| Criminal justice                       | £87          |
| Transport                              | £58          |
| Business and industry                  | £54          |
| Government administration              | £41          |
| Culture eg sports, libraries, museums  | £33          |
| Environment                            | £33          |
| Housing and utilities eg street lights | £33          |
| Overseas aid                           | £23          |
| UK contribution to the EU budget       | £16          |
| <b>Total</b>                           | <b>£1982</b> |

**Your tax and NICs**  
**£1982**

All figures are rounded to the nearest pound.  
The figures in the table above are intended as a guide to how taxes are spent and not as a direct link between your Income Tax, National Insurance contributions and any specific expenditure.  
If you would like to opt out of receiving future tax summaries please register at [www.gov.uk/annual-tax-summary](http://www.gov.uk/annual-tax-summary)  
Spending information is published by HM Treasury.

Example of an Annual Tax Summary

The ATS was originally proposed by Conservative backbench MP Ben Gummer. In January 2012 Gummer brought a bill to the House of Commons, arguing that 'the Government should tell us how much we pay in tax and where it goes'. He proposed that the Chancellor of the Exchequer should be required to issue annual statements to individual income taxpayers containing personalised information about their payments during the preceding tax year and 'a breakdown of the areas of government spending on which the payments are to be spent'.<sup>5</sup> The bill gained the approval of the Conservative and Liberal Democrat coalition government, and in November 2014 the Chancellor George Osborne announced that 24 million people would shortly be receiving an ATS. Osborne described the policy as 'a revolution in transparency', claiming that it would show that 'hardworking taxpayers have to pay for what governments spend'.<sup>6</sup>

That the ATS was dreamt up by a libertarian Conservative MP marks it out as an initiative intended to support a particular political agenda. The Taxpayers' Alliance named Gummer their 'pin-up of the month' in March 2012, strongly backing his bill and its adoption by the government. Yet Gummer's

bill was barely challenged in parliament, and the ATS has never been widely viewed as a party political tool. This can be credited to the rationalisation of the policy as a 'transparency' measure. It is difficult to contest or object to an intervention which appears to be shining a light on the activities of government, particularly in the context of the fiscal austerity programme which was at that time supported by the opposition Labour Party.

The introduction of the ATS also needs to be considered in the context of initiatives in tax administration. Since the emergence of the nation state, branding and insignia have played a significant role in securing the legitimacy of fiscal systems, while visual design and data graphics have long been used to inform debate about the politics of taxation. In recent decades, government actors around the world have increasingly understood and managed taxation through an approach that applies principles from graphic design to 'the design of the whole tax system'.<sup>7</sup> Along with the rise of behavioural economics, design thinking has informed tax administrators' use of 'nudge' techniques to optimise compliance. For example, a recent field experiment conducted by the Cabinet Office-affiliated Behavioural Insights Team found that including certain types of messages in the design of tax collection letters accelerated tax payments.<sup>8</sup>

In the UK, a design approach influenced the creation of the Cabinet Office's Policy Lab in 2014, which helps 'design services around people's experience'. Similar principles have also been adopted within HMRC itself. Tory Dunn, the Head of Design at HMRC, has identified design as 'a strategic tool that results in excellent integrated services'.<sup>9</sup> There are distinct synergies between Osborne's transparency initiative and HMRC's strategic orientation, particularly in the way that both foreground the personalisation of data. For example, HMRC commissioned qualitative research to optimise the design and delivery of the ATS, testing whether reactions to the prototypes would vary amongst different customer groups.<sup>10</sup> These synergies enabled the ATS to be implemented and delivered through HMRC's current design-led approach to tax administration.

There are many precedents for the ATS.<sup>11</sup> Fiscal data visualisations have been produced by governments and external agencies across the globe, and these interventions have been informed by diverse political interests. A particularly pertinent intervention is the website *Where Does My Money Go?*, created by the Open Knowledge Foundation in 2007. This project assembled publicly available public spending data into online tools that allowed citizens to generate personalised visualisations of how the UK government had spent 'their' money. The 'Daily Bread' tool, for example, let users input their personal income in order to explore their equivalent 'per day' contributions to different areas of government spending.<sup>12</sup>

## Criticism

The ATS was formally launched in November 2014. Although the scheme was not subjected to significant challenge in Parliament, its introduction sparked public debate and controversy. This controversy centred on how various forms of social protection were represented through the term and category of 'welfare'.

The 'welfare' category is controversial for two reasons. The first is that the ATS uses the highly politicised term 'welfare' as a label for one of the segments in the doughnut chart representing public spending. As the accompanying official government guidance explains, the accounting on the ATS is based on the data published every year by the government in the Public Expenditure Statistical Analysis (PESA). PESA is structured around the United Nations' Classification of the Function of Government (COFOG), which accounts for ten main public expenditure categories: general public services; defence; public order and safety; economic affairs; environmental protection; housing and

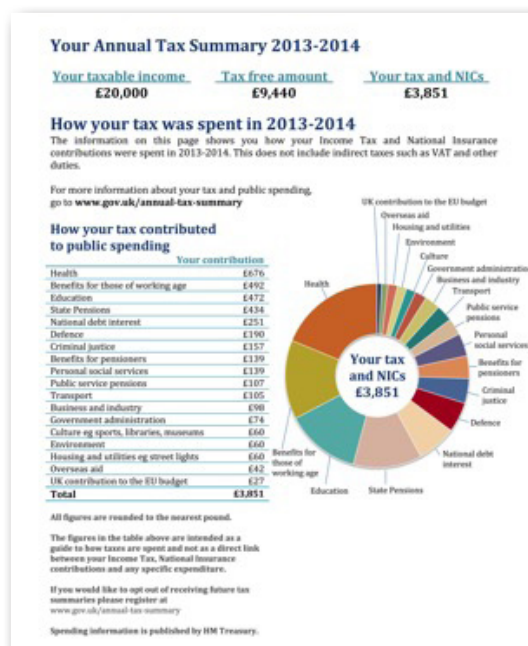


community amenities; health; recreation, culture and religion; education; social protection. In general, the design of the ATS followed this technical guidance. If it had fully adhered to PESA categories then the type of expenditure labelled 'welfare' should have been labelled as 'social protection', a term which has more positive connotations. HM Treasury's explanation is that the category was renamed 'in line with the consideration that terms should be accessible and easily understood by taxpayers'.<sup>13</sup>

A further cause of controversy is the inclusion of certain expenditure within the boundaries of the 'welfare' category. The ATS splits the PESA category of 'social protection' into 'pensions' and 'welfare'. The latter category includes a number of spending areas – such as long term social care – that technically count as 'social protection' but that the public do not typically categorise as 'welfare'. As a result, the level of expenditure associated with this category is increased. These decisions – the *labelling* of welfare, and the expansion of the *category* – mean that 'welfare' appears as the largest area of public spending in the ATS.

Some organisations contributed to public debate about the introduction of the ATS by proposing alternative ways of labelling and presenting the spending data associated with social protection. Two examples are particularly noteworthy.

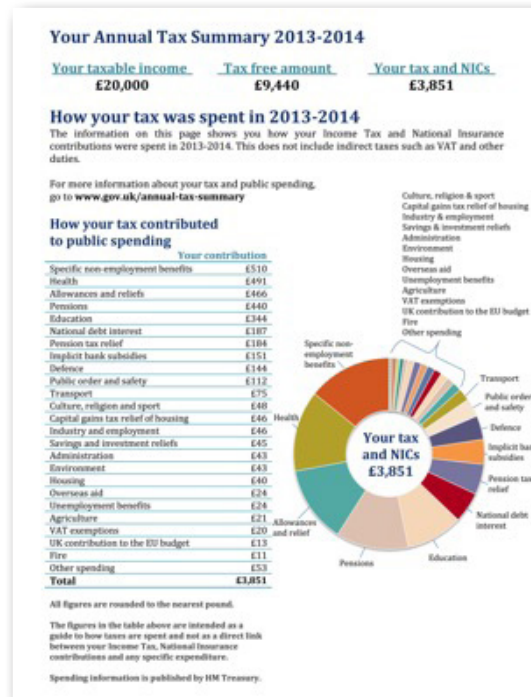
The Institute for Fiscal Studies (IFS) produced the first example.<sup>14</sup> Their aim was to demonstrate that the ATS could provide a more detailed breakdown of welfare spending. The IFS tax summary is exactly the same as the official HMRC version, except that it stays faithful to the PESA accounting frameworks. Consequently, the welfare/social protection category is disaggregated into four: personal social services, public service pensions, other benefit spending on pensioners, and other benefit spending on those of working age. Consequently, 'health' becomes the largest category, rather than welfare.



IFS alternative ATS

Tax campaigner Richard Murphy also created and publicised an alternative tax summary through his blog *Tax Research UK* (TRUK).<sup>15</sup> Murphy argued that the government had manipulated welfare spending information in an attempt to stoke anti-benefits sentiment in the context of austerity cuts. Rather than simply disaggregating welfare, the TRUK tax summary uses categories and calculations

that result in twenty-five distinct categories. Like the IFS summary, the TRUK version disaggregates welfare, but, unlike the IFS summary, the TRUK version has 'specific non-employment benefits' as the largest category. The TRUK version also includes 'spends', such as tax reliefs, that are not typically considered expenditure. Both of these alternative tax summaries are based on justifiable, albeit contestable, accounting procedures.



TRUK alternative ATS

The assumption underlying both of these interventions is that public understanding of tax and spending is at stake: the presentation and framing of tax and spending data is recognised as having an impact on the perceptions of taxpayers.

In an important precursor to our study, researchers used the alternative tax summaries compiled by the IFS and TRUK as the basis of a survey experiment that was designed to test the effect of the expansive 'welfare' category on taxpayer perceptions.<sup>16</sup> Two thousand survey respondents were split equally into four groups. Three groups were asked to look at one of the three summaries (either the HMRC, IFS, or TRUK version) – and a fourth 'control' group was not provided with one at all – before all participants were then asked a series of identical questions that measured attitudes towards state spending and welfare.

The study's findings were threefold. Generally, and in comparison to those who received the IFS tax summary, those who received the government's summary were: (i) less likely to agree with how the government spent their money; (ii) less likely to indicate that current government spending is a good use of taxpayer money; and (iii) likely to guess that the government spends more on welfare. These results indicate that the way in which welfare spending data is calculated and presented affects public attitudes towards state spending and welfare.<sup>17</sup>

## The Project

The findings from this experimental research motivated us to explore the ATS in more detail. If it is possible to measure different public attitudes towards public spending and welfare when small adjustments to the presentation of spending categories are made, we were interested in exploring the possibilities that might follow from more substantial changes to the summary.

We were also concerned to place the paradigm of 'transparency' under greater scrutiny. It is very widely understood that democratic governments are obliged to share information with citizens, and the concept of transparency – with its implication of impartiality, accountability, and an unobstructed communicative process – is used to denote this obligation. The UK government delivers transparency through multiple mechanisms, including the constitution of transparency panels and boards, open data initiatives, FOI releases, and the publication of action plans, agendas, and meeting notes. It is an ambition that is often communicated in relation to reporting on fiscal data,<sup>18</sup> and the paradigm of transparency provided the rationale and justification for the government's introduction of the ATS.

Debate about the ATS has been confined within this paradigm. Critics of the ATS – including the authors of the alternative tax summaries and the experimental research discussed above – endorse the need for these documents to deliver transparency. Discussion about the ATS has been underpinned by the assumption that in representing fiscal data inaccurately, the ATS fails in its task to maximise transparency – and responses have consequently focused on tweaking calculations and altering categories.

We sought to move beyond this initial and circumscribed debate by drawing on the work of scholars who have scrutinised the function of transparency initiatives within liberal and neoliberal politics and governance.<sup>19</sup> These researchers assert that transparency should not be understood as a mere 'norm of emancipatory accountability' but must instead be recognised as a technology through which the logic of the market can be used to regulate the state.<sup>20</sup> With particular respect to taxation it has been argued that transparency initiatives are integral to the construction of the 'taxpayer' as an identity, and to the empowerment of 'taxpayers' to make an anti-state, low tax critique of government.<sup>21</sup> Given the political background to the gestation of the ATS, we consider the critique of transparency a key resource for its interrogation.

Finally, we sought to address the central role that data visualisation – that is, the encoding of data in the form of graphic objects – plays in securing transparency. Data visualisation is widely presumed to deliver transparency; it is often simply assumed that it is the 'best' way to report on fiscal data. We sought to subject this assumption to further scrutiny.

These concerns led us to posit that any form of reporting that the government might adopt to inform citizens about tax and public spending would have effects in terms of shaping public attitudes towards taxation. Even if the government were to replicate the PESA public expenditure categories in their entirety – and thus to deliver an ATS that was wholly 'accurate' – it would nonetheless remain a *representation* of the data that would invariably inform public perception of tax and spending.

In order to explore these questions, we developed an innovative, speculative, and collaborative methodology through which we could evaluate the ATS and explore alternative ways of reporting on tax and public spending. Our method consisted of three phases:

- First, we organised a *collaborative workshop* which brought together stakeholders and designers, and used the ATS to explore how tax authorities can communicate differently with taxpayers.
- Second, we drew on the outcomes from the workshop and academic literature to identify four problems with the ATS and develop four *recommendations* for tax communicators.
- Third, these recommendations were tested out through a *speculative design project*, in which a team of designers developed and exhibited an alternative tax summary.

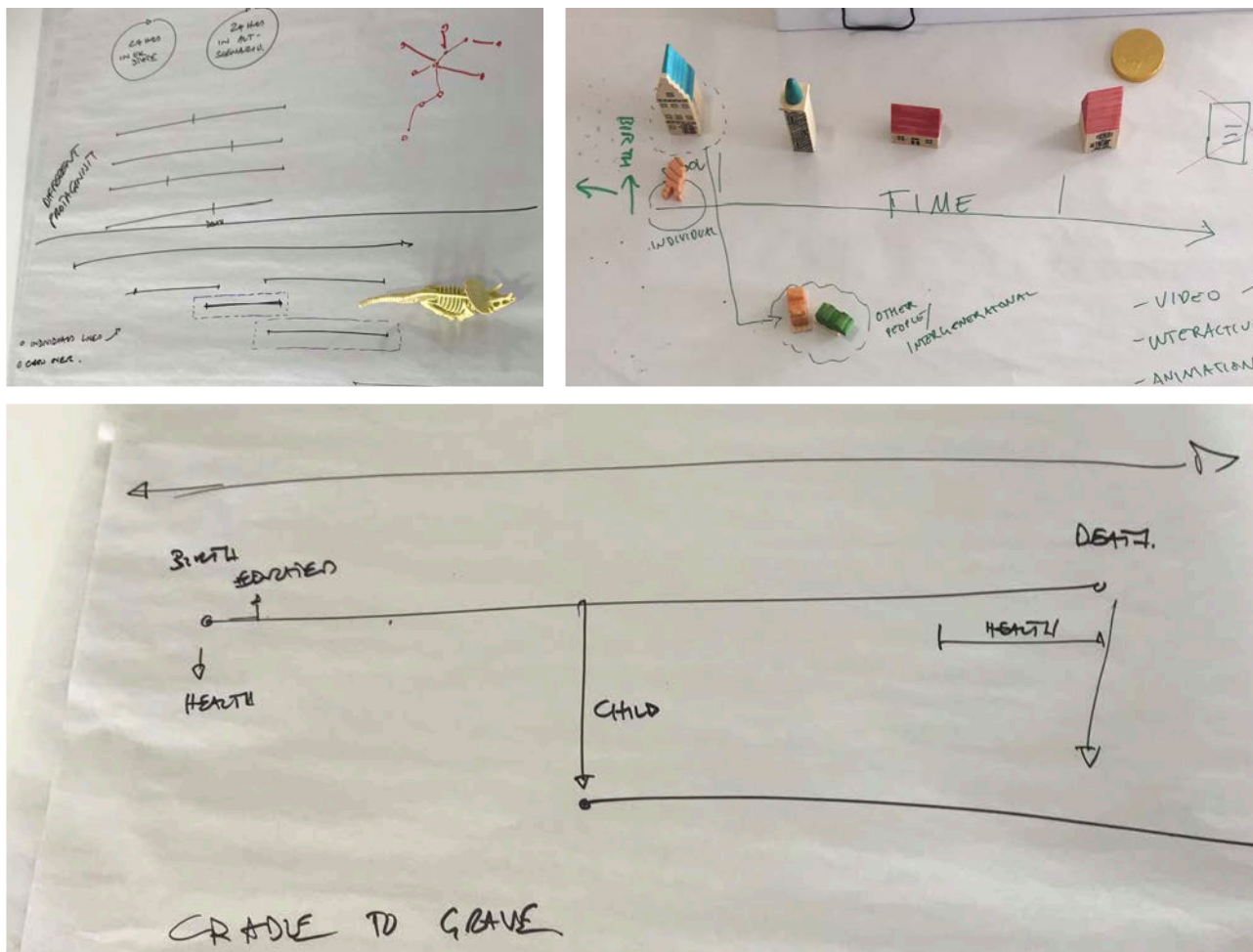
## Phase 1. Collaborative Workshop

In March 2018 we organised a workshop for academic and non-academic stakeholders with an interest in personal taxation (see list of workshop participants). Our aim in involving these stakeholders in the research process was to draw on their expertise and diverse perspectives on fiscal reporting. Some non-academic stakeholders represented particular constituencies (such as people on low incomes) or advocacy perspectives (for example, advocacy for tax justice), and their interests informed the identification of alternative ways of reporting on tax and public spending.

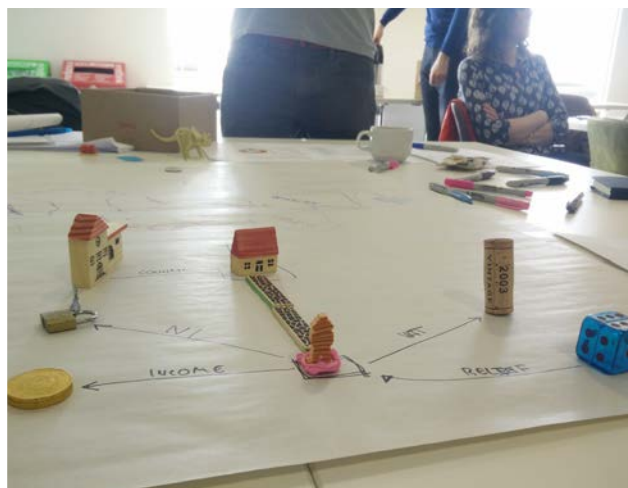
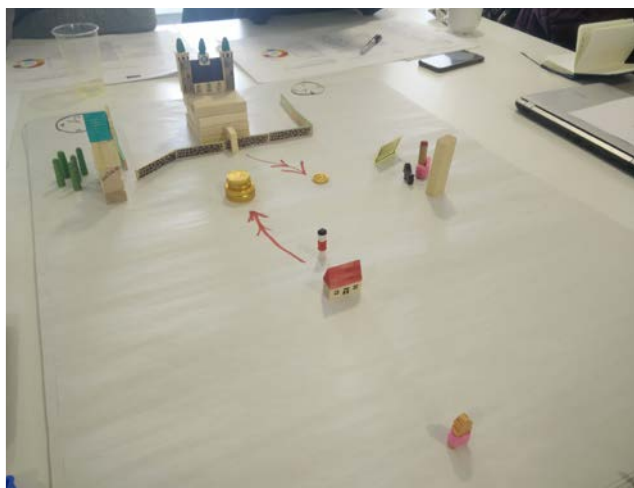
Through a series of workshop activities, the group performed a deep analysis of the design and communicative elements of the ATS. Rather than focus on the data labels and categories used in the ATS (e.g. 'welfare'), we instead invited the group to consider the broader *story* about tax and public spending that the ATS delivers. In doing so, we encouraged them to move beyond the commonly held assumption that the visualisation of fiscal data represents the 'best' way to report on public spending, and indeed to challenge the paradigm of transparency that provided the official rationale for this document.

Workshop participants were subsequently invited to speculate on alternative ways of reporting on tax and public spending. The designers from our project team were on hand to help participants model and visualise these alternatives. During the course of the workshop, this collaborative and speculative approach enabled the group to explore and prototype a range of interesting proposals. They were also able to identify and discuss certain problems relating to tax and public spending which they saw as presenting significant challenges for progressive tax communicators:

- The ATS is specifically directed at income taxpayers. By making a strong link between income tax and government spending – thereby excluding other sources of revenue such as VAT or corporation tax – the ATS infers that all public money is income taxpayers' money, and that while these taxpayers contribute, others don't. One workshop participant memorably described this as inviting ATS recipients to imagine a scene in which 'people are sitting around enjoying a feast, and the taxpayer is on the outside paying for the feast but not eating it'.
- Workshop participants argued that this distinction between 'givers' and 'takers' is also produced through the annual timeframe of the ATS. While reporting an individual taxpayer's contribution over a single financial year was considered justifiable, participants questioned the relevance of applying this timeframe to public spending. Participants considered the benefit of telling a story about tax and spending over the entire life course, rather than just providing a static snapshot of a single year. It was argued that this would reflect the realities of how people engage with government services: most people particularly benefit from public spending on health and education when they are young, and from receiving a pension and health and social care when they are old. Yet people make the vast majority of their contributions when they are less likely to draw on such services. The photos below show some sketches for visualising this alternative story that were made during the workshop.



- Participants criticised the presentation of the individual's fiscal relationship to the state through an aesthetic and logic that mimics a shopping receipt or invoice. It was argued that this describes tax in individualised rather collective terms, provides the illusion that one can opt out, and engenders the expectation that income taxpayers should benefit quid pro quo. An alternative to this logic might be to frame the fiscal relationship as 'insurance', in which the state pools risks within a collective, providing a resource that one hopes never to draw on.
- Another frequent observation was that the ATS implies a meaningful and direct relationship between a taxpayer's contribution and state spending. By including monetary values on the spending part of the statement, the ATS infers that it is reporting a personalised spending receipt, yet the size and proportion of the 'slices' on the chart is exactly the same on every ATS. As one participant put it, 'everyone who gets it through the letterbox thinks "this [spending] is about me", when it is not'.
- There was also discussion about the 'entity' that is represented in the tax receipt, which is the income taxpayer. Participants discussed the possibility of different entities – such as families, households, businesses, regions, or even nations (e.g. Scotland) – receiving an alternative summary, and the implications this might have for taxpayer identities.
- Participants proposed different ways in which the government and/or HMRC might communicate with taxpayers, including using different media (such as videos or animations), individual tailored experiences (such as online data tools), or charity-style communications (such as issuing a 'thank you' note).



## Phase 2. Research Findings and Recommendations

Drawing on existing scholarly literature, discussions from the collaborative workshop, and our own analysis of the ATS, we identified four problems with the ATS: four ways in which it can be seen to shape people's understanding of, and attitudes towards, taxation. In response to each of these problems, we offer a recommendation which could be adopted by communicators who seek to champion the role of tax in society.

### 1. *The ATS delivers transparency.*

The ATS policy initiative is widely understood to deliver transparency. Experts and non-experts alike recognise it as evidence of the government's commitment to its obligation to share information with citizens about public spending. It is also perceived as a politically neutral form of reporting. However, our analysis of the ATS supports existing research into the political consequences of some transparency initiatives. In inviting scrutiny of public spending, we argue that the ATS positions the taxpayer as a sceptical regulator of state spending, provoking a critical reading of that fiscal data. This mode of engagement is secured through the categorisation of public spending into distinct, quantified categories, of which a number (including 'welfare') are politically sensitive, and thus highly likely to provoke taxpayers' disapproval.

It is important to recognise that the obligation for governments to be transparent about their actions has been widely assimilated as common sense. A recent report found that people regard 'honesty and transparency' as fundamental organising principles which they use 'to evaluate social issues and reach decisions'.<sup>22</sup> Moreover, transparency initiatives *can* serve an important function in holding governments to account. For this reason, we do not think it either viable or desirable to dismiss out of hand the imperative and ambition to be transparent.

#### Recommendation: **Challenge the perceived neutrality of tax transparency.**

Progressive tax communicators should approach transparency in a critical manner. We should seek to identify accessible forms of communication that promote openness and accountability, and that challenge the logic of public sector 'inefficiency' that transparency initiatives often serve. For example, information about tax and public spending could be provided in ways that invite people's attention and engagement, but do not incite scepticism with regard to the state. We agree that 'any call for transparency should always be accompanied with a careful examination and possible contention of why to disclose *this* (and not something else) and why with *these* tools (and not others)'.<sup>23</sup>

2. *The ATS adopts a market pricing logic.*

It does so by making a fictional link between a single individual's income tax/national insurance contribution and current government expenditure, and by monetising that fictional link, implying that taxpayers 'pay' for a share of expenditure (e.g. £892 per year 'spent' on education). This market price logic works on the basis that we imagine our taxpaying relationship to the state as if it were a form of market exchange. However, tax and spending is not a market — prices are not generated through the interaction of supply and demand, and taxpayers are not supposed to be able to opt out. Treating tax and spending as if it is a market encourages a way of thinking — 'am I getting my fair share in exchange for my taxes?' — that individualises a process which works best as a collective enterprise.

**Recommendation: Adopt non-monetised framings of value.**

Forms of communication that monetise individuals' contribution imply that each individual taxpayer 'pays' for a share of government expenditure. The marking pricing logic of the ATS therefore contributes to the individualisation of tax and benefits, further eroding the collective sense of obligation required for a redistributive tax system. This could be challenged through communications that express the value of tax via different (non-market, non-monetised) value systems, and by foregrounding what government spending does for society, rather than what it costs an individual.

3. *The ATS sets 'taxpayers' in tension with those excluded from that category.*

Long before the first ATS was released, press releases and other government documents positioned 'hardworking taxpayers' as the beneficiaries of its introduction. In this way, the introduction of ATS contributes to the constitution of 'taxpayers' as a specific group of people in society whose interests the government serves. People who have not paid income tax and national insurance contributions in the past year do not receive a tax summary, and thus are excluded from the government's categorisation of a 'taxpayer'. As a result, the contribution that low income individuals and households make in the form of indirect taxation is obscured. Furthermore, by indicating that taxpayers pay for categories of spending that they may not directly (or currently) benefit from, the ATS implies group identities that are set in tension with one another: taxpayers and non-taxpayers, contributors and beneficiaries, givers and takers. In this way, the ATS perpetuates an 'us vs. them' dynamic.

**Recommendation: Promote inclusive taxpaying identities.**

Forms of communication that set certain groups of people in tension with each other — typically 'taxpayers' and 'non-taxpayers' — should be avoided. Instead, tax communicators should seek more positive ways of positioning people in relation to the payment of tax in society, whether or not they pay income tax. This could be achieved by describing feedback cycles of contribution and benefit in different ways, in order to challenge their relationship. Alternative timeframes could be deployed in order to position individuals within a broader collective. For example, tax communicators could describe tax contribution and benefits over a life course, or over multiple generations, rather than using the timeframe of a single year.

4. *The ATS obscures political decision-making*

Data visualisation is a key element of the ATS and its promise to deliver transparency. Research commissioned by HMRC noted that customers 'tended to prefer serious layout styles' and found less formal styles 'inappropriately trivial'.<sup>24</sup> The depiction of spending data in the form of graphic objects evidently plays an important role in conveying the impartiality of the information delivered in the ATS, and in confirming its credibility and

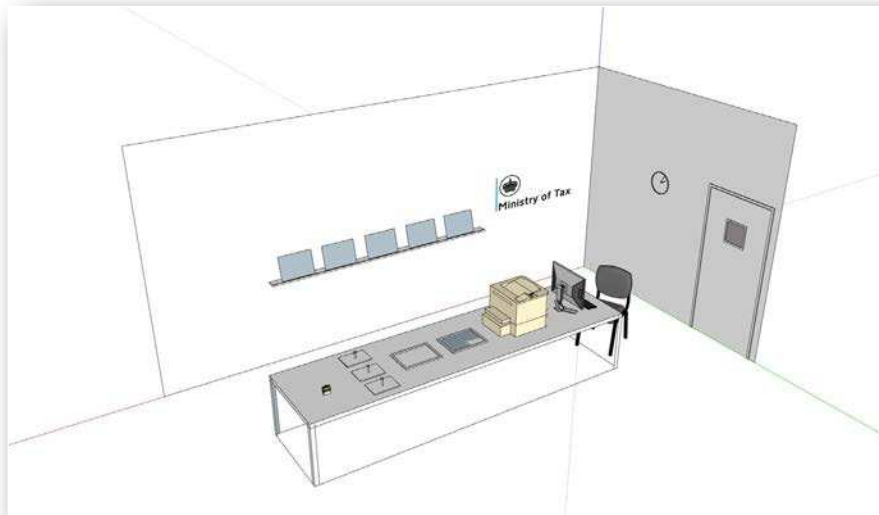
authority. Yet data visualisation can obscure (or 'black box') decisions that have been made in the design process, and common sense confidence in this communication tool as a means of delivering transparency can mean that these decisions are overlooked.

**Recommendation: Assert the interpretative status of data visualisation.**

Tax communicators should encourage people to recognise data visualisation as an interpretation of data rather than a statement of fact, and to question the decisions that have been made in the design process. This might be achieved by empowering end users to make decisions about how to organise and visualise fiscal data, for example.

### Phase 3: The *Ministry of Tax* design project

We tested out these recommendations through a speculative design intervention called the *Ministry of Tax*. Working with the designers in our project team, our aim was to co-produce an alternative to the ATS, informed by the recommendations that emerged from the research process. Along with the diverse proposals generated in the workshop, the *Ministry of Tax* adds to a series of prototypes created within this project.

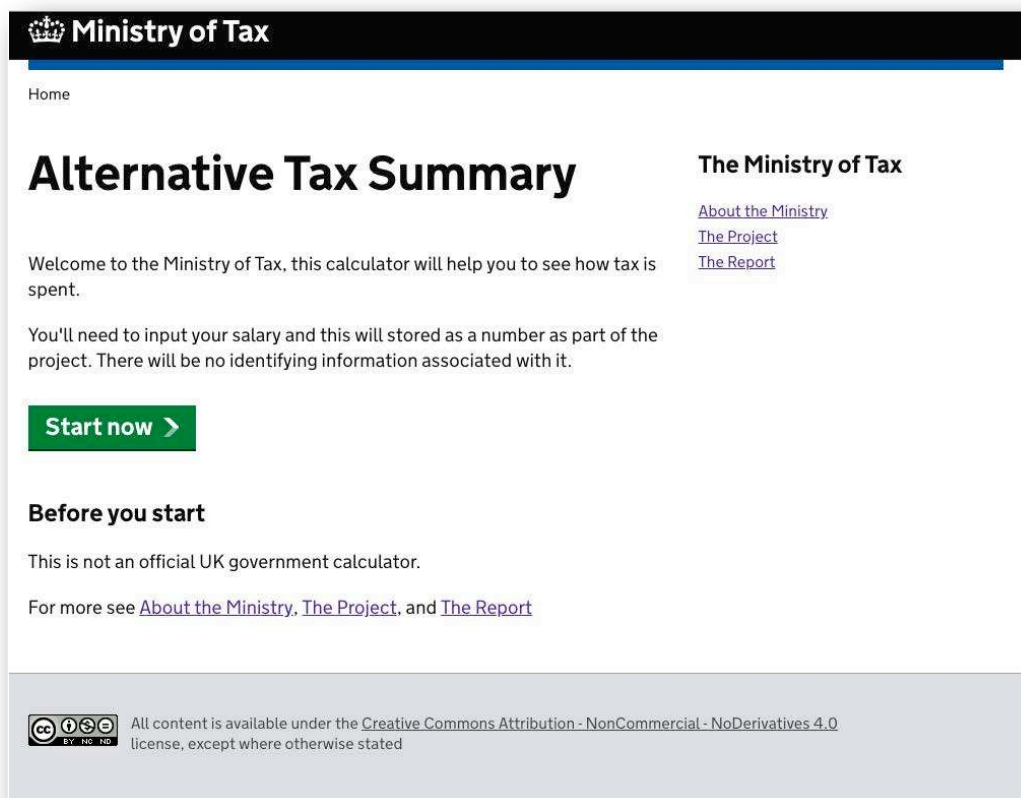


Mock up of *Ministry of Tax* exhibition

The *Ministry of Tax* was displayed in the exhibition *Everything Happens So Much* at London College of Communication as part of London Design Festival 2018. The *Ministry of Tax* comprises an institutional setting with a bureaucratic aesthetic, staffed by a ministry official. Participants are invited to sit at an office table and input their income into a computer screen. A tax and public spending receipt is generated and printed from this data. With the exception of the 'welfare' category, this information is redacted through an overlay applied by the ministry official, while the tax summary is supplemented with fine detail relating to the 'welfare' category of spending. Participants learn that tax pays for everything from free school meals to lilies for a funeral. At the end of the process, participants can take the tax summary away with them, or add it those on display in the exhibition. An accompanying website (<http://www.ministryoftax.uk>) holds a fully-interactive digital version of the exhibit.



The *Ministry of Tax* responds to the recommendations contained in this report in a creative and playful way. It engages participants' attention through the familiar medium of a letter while delivering different and surprising data about the outcomes of public spending. By drilling deep down into the data on public spending, it surfaces details which have the potential to evoke powerful stories about the impact of state spending on people's everyday lives. In inviting deeper scrutiny of the much-debated 'welfare' category of spending and drawing attention to the political decisions that are made when diverse objects of government spending are grouped under this category, the *Ministry of Tax* encourages people to regard visualisation as an interpretation of data, rather than a statement of fact.



Screenshot of ministryoftax.uk

The *Ministry of Tax* does not represent a definitive alternative to the ATS. Its purpose is to illustrate how some of the recommendations made in this report might be applied, and in so doing, it raises further questions and challenges. Along with all of the other prototypes generated in the course of this project, it is intended to contribute to further debate on future possibilities for progressive tax communications.

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## Conclusion

The government's Annual Tax Summary is part of a broader culture in which the value of tax and public spending is constantly contested. We propose that the work of individuals and organisations who seek to counter anti-tax sentiment and to foster public confidence in the tax system and government spending can be enhanced through greater attention to the role of communications in shaping people's attitudes to taxation.

Our evaluation of the ATS has generated valuable insights into how tax is communicated by the government and the broader tax culture. We have drawn attention to the political interests that inform fiscal transparency initiatives such as the ATS and we have challenged common sense confidence in data visualisation as a tool for delivering transparency. The report also interrogates forms of communication that monetise and individualise taxpayers' contribution to public spending, and that set certain groups of people in tension with each other. In response to each of these issues we have offered recommendations for communicators who seek to champion the role of tax in society.

The report is intended to contribute to a broader emergent debate about communication, culture and the economy. Academics, artists, professional stakeholders, and campaigners can all play an important role, and we advocate more sustained collaboration and knowledge transfer between these areas of expertise. We hope that this report will enhance and sustain this debate, and that our recommendations will be of value to individuals and organisations who seek to champion the role of tax in society. Further consideration of the future possibilities for progressive fiscal communications is required, and this will involve deeper interrogation of the broader culture in which we communicate about tax.

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