

---

## ADJUDICATION

---

### *The Complaint*

1. The Complainant, Mr Andrew Anderson, takes issue with an article by Jim Pickard headed ["Greens, Ukip, SNP set out plans before UK election"](#), published by the *Financial Times* online at 17:00 on 29 January 2015. The article was also published as a graphic inset into a longer article headed "Business braced to take on poll result puzzle" on page 3 of the print edition dated 30 January 2015.

2. The words complained of are contained within two concluding sentences (the "first sentence" and "second sentence" respectively):

*The SNP is already in power in Scotland, where it plans to introduce a new "mansion tax" in April. This new land and building transaction tax would see buyers of a £1m home paying £78,300 in tax, compared with £50,000 under the current stamp duty system.*

3. The Complainant joins issue with this phraseology in two ways:

- a. First, that what is proposed by the SNP is a 'transaction tax' not an 'asset tax', and that "mansion tax" implicitly means the latter;
- b. Second, that there is no 'new ... tax', because there already exists a transaction tax (the "current stamp duty system"), and that this is a mere re-naming, not the introduction of a new tax.

4. Tony Major, in his first-instance editorial response to the complaint, noted that the inverted commas around "mansion tax" only appeared in the online version, not the print edition, but did not concede that this made any difference to the meaning. The print edition worded also replaced the words "plans to introduce" with "is bringing in", though this has no obvious effect on the meaning.

## ***The Code***

5. Although not put expressly in terms of the *Financial Times*' Editorial Code of Practice, I have treated this complaint under Clause 1 'Accuracy', which provides that:

*1.1 The Press must take care not to publish inaccurate, misleading or distorted information, including pictures.*

*1.2 A significant inaccuracy, misleading statement or distortion once recognised must be corrected, promptly and with due prominence, and - where appropriate - an apology published. In cases involving the Commission, prominence should be agreed with the PCC in advance.*

*1.3 The Press, whilst free to be partisan, must distinguish clearly between comment, conjecture and fact.*

*1.4 A publication must report fairly and accurately the outcome of an action for defamation to which it has been a party, unless an agreed settlement states otherwise, or an agreed statement is published.*

## ***Discussion and Decision***

6. There are plenty of instances where one political group considers another's moniker a misnomer: see, by way of example, the arguments about the 'Bedroom Tax' (sometimes known as the 'Under Occupancy Charge'). Such choice of nomenclature – often highly politically-charged, only sometimes imbued with political intent - is often a matter for editorial discretion in which I will generally be slow to interfere.

7. Where a term is chosen as a political comment, there is a duty to distinguish that status under Clause 1.3 of the Code. If "mansion tax" had been a politicised comment (similar to "bedroom tax") then it may have benefitted from the inverted commas which were only used in the online

version. However, I accept Tony Major's contention that here it makes no material difference to the meaning: this has the effect that both versions (not just the print version) will be treated as statements of fact, and so held to a higher standard (i.e. "mansion tax" must be factually true and accurate, not just a comment that could be reasonably held).

8. The Complainant's first contention rests on "mansion tax" being (by definition) an 'asset tax' but not a 'transaction tax'. This meaning of "mansion tax" is certainly consistent with specific proposals made in England by the Liberal Democrats and later adopted by the Labour Party. Such policies were said to involve an annual levy on high-value homes (akin to additional council tax on homes valued at £2m or more).
9. However, I note that the same is not true of earlier iterations of the policy, notably the "McMansion Tax" proposed in 2004 by New Jersey Governor James McGreevey. That "mansion tax" *was* a transaction tax, applied to new build homes upon first sale: see [\*New York Times\*, 29 February 2004](#).
10. There is nothing in the term "mansion tax" itself that restricts it to being used only to describe non-transaction asset taxes. It clearly describes a tax imposed specifically in relation to mansions, but says nothing as to whether they are levied periodically, or might be levied only on transfer of registered title. I accept that in its common usage in British political debate, the presumption hitherto has been that the tax would be applied annually, rather than on sale/purchase. However, I do not consider this definition to be so well-settled or universal that, for example, a "mansion tax" and a "transaction tax on mansions" could reasonably be considered incompatible or contradictory terms.
11. Had the first sentence stood alone, I might have found that this was capable of being an 'inaccuracy'. In such circumstances, I would have had to consider whether the inaccuracy was 'significant' such as to require a correction. But here the complaint fails for circuitry: the second sentence consists of the very clarification I might have required to rid the first sentence of its potential to mislead.

12. Taken in context with the second sentence, I consider that no reasonable reader could have considered that “mansion tax” was being used in the (perhaps normal, British) context of “asset tax on mansions”. It was quite clear when taking the two sentences together that what was being proposed by the SNP was a transaction tax on mansions to be paid by buyers, akin to stamp duty. Taken in the round, even if the *potential* for confusion arose in some minds, I am satisfied that on an objective test the article did not inaccurately portray the nature of the policy.
13. The Complainant’s second contention - being that “...[the] *mansion tax*” *will not be "a new.....tax", since of course stamp duty already exists in Scotland*” – I am afraid I do not consider quite as meritorious as his first.
14. Instances of raising taxes by introduction of new specific measures are frequently referred to as ‘new taxes’. The Complainant himself (in his email to me) refers to “... *stamp duty being replaced by the Land and Buildings Transactions Tax...*”. If I replace my car, I refer to my “new car”: it is no less so because it had a similar predecessor.
15. I have treated I will rarely be inclined to interfere on accuracy grounds unless there is a significant risk that readers would have been materially misled as to the underlying facts. In my view, this is not such a case.

### ***Ruling***

16. Accordingly, I find no breach of Clause 1 of the Code, and this complaint must be dismissed.

GREG CALLUS  
Editorial Complaints Commissioner  
Financial Times Ltd  
25 February 2015