

## David Miliband wants a 'mansion tax'... but not on HIS home

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David Miliband said owners of homes worth more than £2m should pay an annual 'mansion tax'

Labour leadership frontrunner David Miliband wants to slap a 'mansion tax' on thousands of homeowners whose properties are worth more than £2million.

He says the £1.7billion raised every year would enable him to overturn the Government's plans to reduce housing benefit for the country's poorest.

But critics point out that the threshold for the one per cent tax would mean that his £1.5million home in plush Primrose Hill in north London would just miss out.

They said that if he is going to propose a new tax, he should have the 'courage of his convictions' and ensure he would be liable to pay it.

And the Tories say that safeguarding the housing benefit bill would simply mean families would continue to benefit from £100,000 a year payouts from the taxpayer.

Some 40,000 people live in homes worth more than £2million, with more than three quarters of them in the capital.

Under Mr Miliband's plan, people would pay a tax of one per cent on the value of a house above £2million.

So, someone with a home worth £3million would pay one per cent of £1million - or £10,000 a year - while a home worth £4million would incur £20,000.

A £2million mansion tax was first proposed by Vince Cable when he was the Liberal Democrats' Treasury spokesman.

But it was dropped before the election following an internal party revolt.

Mr Miliband lives in a townhouse worth an estimated £1.5million in Primrose Hill, north London.

It is so appealing that while he was foreign secretary, he elected to stay there rather than move in to the official ministerial residence in Carlton Gardens.

Matthew Elliott, chief executive of the TaxPayers' Alliance, said: 'It's too convenient to be a coincidence that David Miliband has proposed a mansion tax that his very own palatial home would be exempt from.'



'Voters are tired of double standards from politicians.'

'If he had the strength of his convictions, he'd also share some of the pain of this new tax. Instead, he's suggesting a tax which wouldn't hit him, wouldn't raise very much, but which would greatly complicate the tax system.'

A Tory source said: 'Today there are some families receiving £104,000 a year in housing benefit. The

cost of that single award is equivalent to the total income tax and national insurance paid by 16 working people on median incomes.'

'Does David Miliband realise that Labour left us with a record budget deficit and that by finding savings in the welfare budget, we can avoid other cuts?'

Tony Blair bought the Grade I listed South Pavilion for £4million in 2008.

**Trevor Abrahamson, of agents Glentree Estates, said: 'Anyone with an ounce of nous wouldn't even suggest this policy, let alone implement it.'**

**'It would be disastrous for London. It would change the whole dynamics of the market.'**

**'The British economy is far too dependent on the property sector to do something like this.'**