

Mrs Anne Main M.P.  
St Albans



HOUSE OF COMMONS  
LONDON SW1A 0AA

The Rt Hon Philip Hammond MP  
First Secretary of State, and Chancellor of the Exchequer  
HM Treasury  
1 Horse Guards Road  
London  
SW1A 2HQ

Ref: AM/CM

10 March 2017

Dear Chancellor,

I am writing regarding your announcement in the Budget relating to your decision to increase Class 4 National Insurance Contributions (NICs) 2 per cent by April 2019.

Whilst I do understand the government's motive of making the tax system more equitable and having a tax base that is sustainable, I do believe that this increase will be difficult for my constituents, who are self-employed, to absorb.

I listened carefully to your statement on Wednesday and I recognise that the government has equalised the state pension, which was a major reason for this disparity. I also recognise that you have undertaken to address the remaining area of difference in relation to parental benefits. Whilst these actions are commendable, it does not recognise the risk attached to the self-employed.

There are 7,000 workers self-employed in St Albans. This represents 16% of the working population. The concerns expressed to me by constituents who have contacted me since the announcement are justified, I believe, in light of the manifesto commitment not to raise NICs.

I fully support the government's aspiration of having a fairer tax system, but I do believe that, as a government, we must support the risk involved in the aspiration to be self-employed, whilst at the same time addressing the imbalances that still exist in the system.

I do remain concerned about this issue, and await further details on the policy to emerge in the summer. I do have confidence, however, that these concerns will be considered carefully.

With best wishes,

A handwritten signature in cursive script that reads "Anne Main".

Anne Main MP