Tory MPs challenge chancellor on tax cuts and fuel duty

Jeremy Hunt has faced a twin assault on tax cuts and fuel duty from Tory MPs ahead of his Budget in six weeks' time.

The chancellor was confronted at a meeting of the backbench 1922 Committee on the same day <u>a grim economic forecast</u> put him under more pressure to cut taxes.

Leading the onslaught demanding tax cuts was the veteran Thatcherite ex-minister Sir Edward Leigh, who told Mr Hunt voters were depressed by the <u>cost of living crisis</u>.

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Sir Edward, a leading Brexiteer who was sacked by Sir John Major for opposing the Maastricht Treaty in 1993, called on the chancellor to cut corporation tax, income and fuel duty.

He told Sky News after the meeting: "I said 'you can't wait until the general election. People are depressed. You've got to give them hope.'

"You've got to say: 'We made the right decisions in September, therefore that's given me room in this budget to cut taxes, whether it's corporation, personal or fuel'."

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The chancellor was challenged directly on fuel duty during the meeting by Red Wall MP Jonathan Gullis, <u>a leading campaigner</u> on the issue, amid fears of a 12p-a-litre hike in the Budget

on March 15.

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A disappointed Mr Gullis told Sky News: "He told me: 'We'll have to see how the public finances are at the time'."

Other MPs present also left the meeting alarmed that Mr Hunt failed to rule out an increase.

But loyalist backbencher David Simmonds, describing the meeting, said: "Everyone agrees that tackling inflation is the short-term priority and that there will be a return to a tax-cutting agenda once inflation is under control.

"He also spoke about the big reduction in business rates that's coming in April and the impact that will have on small businesses."

Asked about the mood in the meeting, Mr Simmonds said: "It was very positive, actually. People are very serious because the challenge of inflation is a big one, but at the same time there's a good window of opportunity to get it right. People see that."

Defence spending

Mr Hunt's appearance at the committee came only hours after the International Monetary Fund published a <u>damning report</u> <u>blaming weakness in the UK economy</u> on higher taxes and rising interest rates.

But there was surprise among some of the Tory MPs attending the 80-minute meeting that none of those present called for an increase in defence spending in the chancellor's Budget.

This week Sky News revealed that a US general said <u>the UK was</u> no longer a top-level fighting force because of defence cuts and Defence Secretary Ben Wallace admitted the armed forces had been "hollowed out" by the Tories.

Mr Hunt was in a jocular mood as he arrived at the meeting, held in a Commons committee room.

Asked by Sky News if he was nervous, he clenched his fists and replied: "Quaking!" As he left, he said, laughing, that it had been: "Gruelling! Tough!"

Among the MPs present was former Prime Minister Theresa May, who in 2018 promoted Mr Hunt to foreign secretary when Boris Johnson resigned. She was tight-lipped as she left but smiled broadly.