

1st March 2010

A Statement From Lord Ashcroft

I am making this statement in advance of the release by the Cabinet Office of limited information about the award of my peerage and of the undertakings I gave at the time.

While I value my privacy, I do not want my affairs to distract from the general election campaign. I have therefore decided to release a copy of the letter which I wrote to William Hague, and to expand on what actually happened.

As the letter shows, the undertakings I gave were confirmed in a memorandum to William Hague dated 23rd March 2000. These were to "take up permanent residence in the UK again" by the end of that year. The other commitment in the memorandum was to resign as Belize's permanent representative to the UN, which I did a week later.

In subsequent dialogue with the Government, it was officially confirmed that the interpretation in the first undertaking of the words "permanent residence" was to be that of "a long term resident" of the UK. I agreed to this and finally took up my seat in the House of Lords in October 2000. Throughout the last ten years, I have been declaring all my UK income to HM Revenue.

My precise tax status therefore is that of a "non-dom". Two of Labour's biggest donors - Lord Paul (recently made a privy councillor by the Prime Minister) and Sir Ronald Cohen, both long-term residents of the UK, are also "non-doms".

As for the future, while the non-dom status will continue for many people in business or public life, David Cameron has said that anyone sitting in the legislature - Lords or Commons - must be treated as resident and domiciled in the UK for tax purposes. I agree with this change and expect to be sitting in the House of Lords for many years to come.

Memorandum

To: The Rt. Hon. William Hague MP
Leader of the Opposition

From: Michael A Ashcroft

Date: 23 March 2000

Further to our telephone conversation I am writing to you to confirm the assurances which I have given you in relation to the matters which you raised with me and upon which you sought my written and unequivocal undertakings.

I hereby give you my clear and unequivocal assurance that I have decided to take up permanent residence in the UK again before the end of this calendar year. I have given my advisers instructions to make arrangements to give effect to this decision and I will instruct them forthwith to do so within this calendar year.

I hereby firmly agree that I will not seek to be introduced to the House of Lords until I have taken up residency in the United Kingdom within the timescale above mentioned.

I will also immediately resign as the Belize representative to the United Nations, that resignation to take effect before 31st March this year.

These are my solemn and binding undertakings to you.



Michael A Ashcroft

Signature witnessed by: