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Nudging taxpayer behaviour

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The idea behind the nudge theory is that policy doesn't always have to require people to do one thing or another. Offering them gentle directional guidance can encourage people to make the 'right' choice when decisions loom, while still allowing people choices to opt for the other options if they so wish. Tax policy is one area in which 'nudge' has found a home alongside other notable success stories in areas such as health policy, organ donation and charitable giving.

In the April 2017 issue of Tax Adviser, Diana Onu and I explored a selected history of academic psychologists' work as it has been applied to individuals' tax compliance behaviours. We highlighted how this work stretched back to the 1950s in exploring how to develop co-operative approaches to voluntary tax compliance to sit alongside the more long-standing deterrence approaches then more widely applied – with varying success.

To read the full briefing paper, please visit the [Tax Advisor Magazine website](#).