Avoidance vs Evasion

Money

One is legal, one is a crime — a clearer line than the debate suggests.

Legal

- Using a tax-free savings allowance
- Contributing to a pension
- Claiming genuine expenses
- Choosing a legitimate business structure
- Timing a sale across tax years

Illegal

- Not declaring income
- Inventing expenses
- Hiding assets offshore to conceal them
- Falsifying records
- Paying cash to evade tax

THE DIFFERENCE THAT MATTERS

Between them sits aggressive avoidance: technically legal, often later closed by legislation, sometimes challenged retrospectively.

General education. If a scheme's main purpose is the tax result rather than the underlying activity, take professional advice.