



House of Commons

Tuesday 8 April 2014

COMMITTEE OF THE WHOLE HOUSE

New Amendments handed in are marked thus ★

FINANCE (NO. 2) BILL

(Clauses 1, 5 to 7, 11, 72 to 74 and 112; Schedule 1; any new Clauses, and any new Schedules, relating to tax relief in connection with the costs of childcare, or income tax allowances for parties to a marriage or civil partnership, or air passenger duty, or the rate of the bank levy, or the subject matter of Clause 1, or the subject matter of Clauses 5 to 7 and Schedule 1.)

NOTE

The Amendments have been arranged in accordance with the Order of the House [1 April 2014].

Ed Balls
Chris Leslie
Shabana Mahmood
Cathy Jamieson
Catherine McKinnell

2

Clause 5, page 3, line 28, at end insert—

- () The Chancellor of the Exchequer shall undertake a review, within six months of the passing of this Act, on the impact of an additional cut of one per cent to the main rate of Corporation Tax for financial year 2015-16, with particular reference to—
- (a) the impact on businesses with fewer than 50 employees;
 - (b) the impact on investment by businesses with fewer than 50 employees; and
 - (c) alternative tax measures, including non-domestic rates, which would have a greater benefit for businesses with fewer than 50 employees.

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- () The Chancellor of the Exchequer must publish the report of the review and lay the report before the House.’.

Member’s explanatory statement

This amendment would require the Chancellor of the Exchequer to publish a report on the impact of a cut of one per cent to main rate Corporation Tax on businesses, including small and medium sized enterprises (SMEs).

*NEW CLAUSES AND NEW SCHEDULES RELATING TO THE SUBJECT MATTER OF
CLAUSE 1*

Report on increasing the additional rate of income tax to 50%

Jonathan Edwards
Mr Elfyn Llwyd
Hywel Williams

NC4

To move the following Clause:—

- ‘(1) The Chancellor of the Exchequer shall make arrangements for conducting a review of the impact of increasing the additional rate to 50%.
- (2) The Secretary of State shall lay a copy of the report of the review mentioned in subsection (1) before each House of Parliament within three months of the passing of this Act.’.

Ed Balls
Chris Leslie
Shabana Mahmood
Cathy Jamieson
Catherine McKinnell

4

Clause 1, page 2, line 11, at end insert—

- () The Chancellor of the Exchequer shall, within three months of the passing of this Act, publish a report on the impact of setting the additional rate of income tax at 50 per cent.
- () The report must estimate the impact of setting the additional rate for 2014-15 at 45 per cent and at 50 per cent on the amount of income tax currently paid by someone with a taxable income of—
- (a) £150,000 per year; and
 - (b) £1,000,000 per year.’.
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Finance (No. 2) Bill, continued*NEW CLAUSES AND NEW SCHEDULES RELATING TO TAX RELIEF IN CONNECTION WITH
THE COSTS OF CHILDCARE**Childcare provision*

Ed Balls
Chris Leslie
Shabana Mahmood
Cathy Jamieson
Catherine McKinnell

NC1

To move the following Clause:—

- ‘(1) The Chancellor of the Exchequer must undertake a review of ways in which changes to the tax and childcare systems could be used to increase the affordability of childcare before April 2015, with particular reference to—
- (a) the cost of childcare for parents in work; and
 - (b) the cost of childcare, including the impact of changes in the tax and benefits system during this Parliament.

The Chancellor must publish the report of the review within six months of the passing of this Act and lay the report before the House.’.

Ed Balls
Chris Leslie
Shabana Mahmood
Cathy Jamieson
Catherine McKinnell

3

Clause 11, page 8, line 25, at end insert—

‘55F Review

- (1) Within six months of the passing of the Finance Act 2014, the Chancellor of the Exchequer must undertake a review of the impact of the tax relief for married couples and civil partners introduced under this Chapter.
- (2) The review must in particular include—
 - (a) a calculation of the proportion of married couples and civil partners who are eligible for the tax relief in the financial year 2015-16;
 - (b) an assessment of the impact of this tax relief on those who are neither married nor in civil partnerships;
 - (c) the cost to the Exchequer of this tax relief; and
 - (d) an assessment of alternative tax reliefs that would benefit a greater number of families.
- (3) The Chancellor of the Exchequer must publish the report of the review and lay the report before the House.’.

Finance (No. 2) Bill, continued*NEW CLAUSES AND NEW SCHEDULES RELATING TO THE RATE OF THE BANK LEVY**Bank payroll tax*

Ed Balls
 Chris Leslie
 Shabana Mahmood
 Cathy Jamieson
 Catherine McKinnell

NC5

★ To move the following Clause:—

- ‘(1) The Chancellor of the Exchequer shall carry out a review of—
- (a) the possible impact on the bank levy rate of incorporating a bank payroll tax within the bank levy; and
 - (b) how the additional revenue could be invested to help pay for the first year of a guaranteed jobs scheme for people in long-term unemployment.
- (2) The Chancellor must within six months of the passing of this Act publish the report of the review and lay the report before the House.’.

Ed Balls
 Chris Leslie
 Shabana Mahmood
 Cathy Jamieson
 Catherine McKinnell

1

Clause 112, page 94, line 1, at beginning insert—

- ‘(1) Before bringing forward any further reform of the bank levy rates system, the Chancellor shall lay before Parliament a report considering the impact on the total receipts paid to the Exchequer since 2010 by—
- (a) UK banking groups;
 - (b) building society groups;
 - (c) foreign banking groups; and
 - (d) relevant non-banking groups.
- (2) The report will pay particular attention to receipts from—
- (a) corporation tax;
 - (b) the bank levy; and
 - (c) bank payroll tax.
- (3) A copy of the report in subsections (1) and (2) shall be laid before Parliament.’.

Finance (No. 2) Bill, continued*NEW CLAUSES AND NEW SCHEDULES RELATING TO AIR PASSENGER DUTY**Air passenger duty: Wales*

Jonathan Edwards

NC2

To move the following Clause:—

- ‘(1) Schedule (Air Passenger Duty: Wales) has effect.’.
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Air passenger duty: Scotland

Mr Angus Brendan MacNeil
Angus Robertson
Mr Mike Weir
Pete Wishart
Dr Eilidh Whiteford
Stewart Hosie

NC6

★ To move the following Clause:—

- ‘(1) The Scotland Act 1998, Schedule 5, section A1 (exceptions) is amended as follows.
- (2) After “rates)”, insert—
- “(1) Air Passenger Duty on all flights that are—
- (a) originating from an airport or aerodrome in Scotland; and
- (b) not part of a connecting flight from—
- (i) a domestic UK airport or aerodrome; or
- (ii) a territory specified in Part 1 of Schedule 5A of the Finance Act 1994.”.’.
-

Finance (No. 2) Bill, continued
Rates of air passenger duty (Scotland)

Mr Angus Brendan MacNeil
 Angus Robertson
 Mr Mike Weir
 Pete Wishart
 Dr Eilidh Whiteford
 Stewart Hosie

NC7

★ To move the following Clause:—

‘After section 30A of the Finance Act 1994 there is inserted—

“30B Scotland rates of duty

- (1) This section applies to the carriage of a chargeable passenger if—
 - (a) the carriage begins on or after the relevant day; and
 - (b) the only flight, or the first flight, of the passenger’s journey begins at an airport or aerodrome in Scotland.
- (2) Air passenger duty is chargeable on the carriage of the chargeable passenger at the rate set by an Act of the Scottish Parliament for the purposes of this paragraph.
- (3) The rate of £0 may be set for the purposes of paragraph (2).
- (4) Any rate set must not exceed the rate which would apply if this section were not in force.
- (5) “The relevant day” means the day appointed as such by an order.
- (6) Section 42(4) and (5) does not apply to any order under subsection (5).
- (7) An “Act of the Scottish Parliament” means an Act passed under section 28 of the Scotland Act 1998.”’.

Jonathan Edwards

NS1

To move the following Schedule:—

‘AIR PASSENGER DUTY: WALES

PART 1

RATES OF DUTY FROM 1 APRIL 2014

- 1 Section 30 of FA 1994 (air passenger duty: rates of duty) is amended as follows.
 After subsection (4D) insert—
 - “(4DA) Subsection (4D) applies if—
 - (a) the passenger’s journey is a relevant Wales journey; and
 - (b) apart from subsection (4DB), subsection (2) would not apply to the journey.

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(4DB) The applicable rate in subsection (2) applies to the journey instead of the applicable rate in subsection (3), (4) or (4A) (as the case may be).

(4DC) A passenger's journey is a "relevant Wales journey"—

- (a) in the case of a journey which has only one flight, if the flight begins in Wales; and
- (b) in any other case, if the first flight of the journey—
 - (i) begins in Wales; and
 - (ii) is not followed by a connected flight beginning at a place in the United Kingdom or a territory specified in Part 1 of Schedule 5A.”

The amendments made by this Part of this Schedule have effect in relation to the carriage of passengers beginning on or after 1 April 2014.

PART 2

DEVOLUTION OF WALES LONG HAUL RATES OF DUTY

2 Chapter 4 of Part 1 of FA 1994 (air passenger duty) is amended as follows.

3 (1) Section 30 (rates of duty) is amended as follows.

(2) After subsection (1) insert—

“(1B) Subsection (1) does not apply to the carriage of a chargeable passenger to which section 30B below (Wales long haul rates of duty) applies.”

(3) Omit subsections (4DA) to (4DC) (as inserted by paragraph 1 above).

(4) The amendments made by this paragraph have effect in relation to the carriage of passengers beginning on or after the relevant day as defined in section 30B of FA 1994 (as inserted by paragraph 4 below).

4 After section 30A insert—

“30B Wales long haul rates of duty

(1) This section applies to the carriage of a chargeable passenger if—

- (a) the carriage begins on or after the relevant day;
- (b) the only flight, or the first flight, of the passenger's journey begins at a place in Wales;
- (c) the passenger's journey does not end at a place in the United Kingdom or a territory specified in Part 1 of Schedule 5A; and
- (d) if the passenger's journey has more than one flight, the first flight is not followed by a connected flight beginning at a place in the United Kingdom or a territory specified in Part 1 of Schedule 5A.

(2) Air passenger duty is chargeable on the carriage of the chargeable passenger at the rate determined as follows.

(3) If the passenger's journey ends at a place in a territory specified in Part 2 of Schedule 5A—

- (a) if the passenger's agreement for carriage provides for standard class travel in relation to every flight on the passenger's journey, the rate is the rate set by an Act of the National Assembly for Wales for the purposes of this paragraph; and

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- (b) in any other case, the rate is the rate set by an Act of the National Assembly for Wales for the purposes of this paragraph.
 - (4) If the passenger's journey ends at a place in a territory specified in Part 3 of Schedule 5A—
 - (a) if the passenger's agreement for carriage provides for standard class travel in relation to every flight on the passenger's journey, the rate is the rate set by an Act of the National Assembly for Wales for the purposes of this paragraph; and
 - (b) in any other case, the rate is the rate set by an Act of the National Assembly for Wales for the purposes of this paragraph.
 - (5) If the passenger's journey ends at any other place—
 - (a) if the passenger's agreement for carriage provides for standard class travel in relation to every flight on the passenger's journey, the rate is the rate set by an Act of the National Assembly for Wales for the purposes of this paragraph; and
 - (b) in any other case, the rate is the rate set by an Act of the National Assembly for Wales for the purposes of this paragraph.
 - (6) The rate of £0 may be set for the purposes of any paragraph.
 - (7) The same rate may be set for the purposes of two or more paragraphs.
 - (8) Subsections (5) to (7) and (10) to (12) of section 30 apply for the purposes of this section as they apply for the purposes of that section.
 - (9) "The relevant day" means the day appointed as such by an order.
 - (10) Section 42(4) and (5) do not apply to an order under subsection (9).
 - (11) A Bill containing provision authorised by this section may not be passed by the National Assembly for Wales except in pursuance of a recommendation which—
 - (a) is made by the Minister of Finance; and
 - (b) is signified to the Assembly by the Minister or on the Minister's behalf.
 - (12) "Passed", in relation to a Bill, means passed at the final stage (at which the Bill can be passed or rejected but not amended).
 - (13) Duty paid to the Commissioners in respect of the carriage of chargeable passengers to which this section applies must be paid by the Commissioners into the Consolidated Fund of Wales."
- 5 (1) Section 33 (registration of aircraft operators) is amended as follows.
- (2) After subsection (2A) insert—
- “(2B) If the Commissioners decide to keep a register under section 33B below, an operator of a chargeable aircraft does not become liable to be registered under this section just because the aircraft is used

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for the carriage of chargeable passengers to which section 30B above applies.”.

- (3) In subsection (3)(b) after “applies”, insert “or, if the Commissioners have decided to keep a register under section 33B below, that no chargeable aircraft which he operates will be used for the carriage of chargeable passengers apart from the carriage of chargeable passengers to which section 30B above applies.”.
- (4) In subsection (7) after “section 33A”, insert “or section 33B below”.

6 After section 33A insert—

“33B Registration of Wales long haul aircraft operators

- (1) The Commissioners may under this section keep a register of aircraft operators.
- (2) If the Commissioners decided to keep a register under this section, the operator of a chargeable aircraft becomes liable to be registered under this section if the aircraft is used for the carriage of chargeable passengers to which section 30B above applies.
- (3) A person who has become liable to be registered under this section ceases to be so liable if the Commissioners are satisfied at any time—
- (a) that he no longer operates any chargeable aircraft; or
 - (b) that no chargeable aircraft which he operates will be used for the carriage of chargeable passengers to which section 30B above applies.
- (4) A person who is not registered under this section and has not given notice under this subsection shall, if he becomes liable to be registered under this section at any time, give written notice of that fact to the Commissioners not later than the end of the prescribed period beginning with that time.
- (5) Notice under subsection (4) above shall be in such form, be given in such manner and contain such information as the Commissioners may direct.”.

7 In section 34 (fiscal representatives) in subsection (5)—

- (a) in paragraph (a) after “33A”, insert “or 33B”.

8 After section 41B insert—

“41C Wales long haul rates of duty: disclosure of information

- (1) An officer of Revenue and Customs may disclose to the Secretary of State, the Treasury or the Department of Finance in Wales any information for purposes connected with the setting of rates under section 30B above, including (in particular) to enable the setting of rates under that section to be taken into account for the purposes of section 118 of the Government of Wales Act 2006 (payments by Secretary of State into Welsh Consolidated Fund).
- (2) Information disclosed under subsection (1) above may not be further disclosed without the consent of the Commissioners (which may be general or specific).
- (3) In section 19 of the Commissioners for Revenue and Customs Act 2005 (wrongful disclosure) references to section 18(1) of that Act are to be read as including a reference to subsection (2) above.”.

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- 9 In section 44 of CRCA 2005 (payment into Consolidated Fund) after subsection (2)(cb) insert—
 “(cc) sums required by section 30A(15) of the Finance Act 1994 (air passenger duty: Wales long haul rates of duty) to be paid into the Consolidated Fund of Wales.”.
- 10 In column 2 of the Table in paragraph 1 of Schedule 41 to FA 2008 (penalties for failure to notify), in the entry relating to air passenger duty, after “33A(4)”, insert “or 33B(4)”.
- 11 The amendments made by this Part of this Schedule have effect in relation to the carriage of passengers beginning on or after 1 April 2014.
- 12 The rate of duty in force under section (30B) shall not be greater than the rate which would be in force if the section had not been enacted.’.

ORDER OF THE HOUSE [1 APRIL 2014]

That the following provisions shall apply to the Finance (No. 2) Bill—

Committal

1. The following shall be committed to a Committee of the whole House—
 - (a) Clauses 1, 5 to 7, 11, 72 to 74 and 112;
 - (b) Schedule 1;
 - (c) any new Clauses, and any new Schedules, relating to—
 - (i) tax relief in connection with the costs of childcare, or
 - (ii) income tax allowances for parties to a marriage or civil partnership, or
 - (iii) air passenger duty, or
 - (iv) the rate of the bank levy, or
 - (v) the subject matter of Clause 1, or
 - (vi) the subject matter of Clauses 5 to 7 and Schedule 1.
2. The remainder of the Bill shall be committed to a Public Bill Committee.

Proceedings in Committee

3. (1) Proceedings in Committee of the whole House shall be completed in two days.
- (2) Those proceedings shall be taken on each of those days as shown in the first column of the following table and in the order so shown.
- (3) Each part of the proceedings shall (so far as not previously concluded) be brought to a conclusion at the time specified in relation to it in the second column of the Table.
- (4) Standing Order No. 83B (programming committees) shall not apply to proceedings in Committee of the whole House.

TABLE*Proceedings**Time for conclusion of proceedings**First Day*

New Clauses and new Schedules relating to the subject matter of Clauses 5 to 7 and Schedule 1; Clauses 5 to 7; Schedule 1	3.30pm on the first day
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Finance (No. 2) Bill, continued*Proceedings**Time for conclusion of proceedings**First Day*

New Clauses and new Schedules relating to the subject matter of Clause 1; Clause 1 5.30pm on the first day

New Clauses and new Schedules relating to tax relief in connection with the costs of childcare 7.30pm on the first day

Second Day

New Clauses and new Schedules relating to income tax allowances for parties to a marriage or civil partnership; Clause 11 4.00pm on the second day

New Clauses and new Schedules relating to the rate of the bank levy; Clause 112 6.00pm on the second day

New Clauses and new Schedules relating to air passenger duty; Clauses 72 to 74 8.00pm on the second day

4. Proceedings in the Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on Tuesday 17 June 2014.
5. The Public Bill Committee shall have leave to sit twice on the first day on which it meets.
6. When the provisions of the Bill considered respectively by the Committee of the whole House and by the Public Bill Committee have been reported to the House, the Bill shall be proceeded with as if it had been reported as a whole to the House from the Public Bill Committee.

Consideration and Third Reading

7. Proceedings on consideration and on Third Reading shall be completed in two days.
8. Standing Order No. 83B (programming committees) shall not apply to proceedings on Consideration and Third Reading.

NOTICES WITHDRAWN

The following Notices were withdrawn on 7 April 2014:

NC3.