



# House of Commons

**Tuesday 17 June 2014**

## **PUBLIC BILL COMMITTEE**

*New Amendments handed in are marked thus ★*

☆ *Amendments which will comply with the required notice period at their next appearance*

### **FINANCE BILL**

**(Except Clauses 1, 5 to 7, 11, 72 to 74 and 112; Schedule 1; and certain new Clauses and new Schedules.)**

- Mr David Gauke 32
- Clause 212, page 141, line 3, leave out “tax”
- Mr David Gauke 33
- Clause 212, page 141, line 9, leave out “resulting from the same tax arrangements” and insert “and the chosen arrangements;”
- Mr David Gauke 34
- Clause 212, page 141, line 13, after “it” insert “and the chosen arrangements”
- Teresa Pearce 56
- Clause 212, page 141, line 35, at end insert—
- “(8) The Chancellor of the Exchequer shall, within six months of this Act receiving Royal Assent, publish a post implementation review.
- (9) The Review referred to in subsection (8) above must in particular examine—
- (a) the total number of accelerated payment notices issued;
  - (b) the number of accelerated payment notices issued to cases involving a disclosure made under DOTAS prior to the Act receiving Royal Assent,
  - (c) the total revenue collected through accelerated payment notices;
  - (d) the total revenue collected through penalties arising as a result of accelerated payment notices;
  - (e) the number of representations made to Her Majesty’s Revenue and Customs following the issuing of an accelerated payment notice;
  - (f) the number of accelerated payment notices that have been subsequently withdrawn;

---

**Finance Bill, *continued***

- (g) the financial consequences resulting from the issuance of accelerated payment notices for the businesses and taxpayers involved.
- (10) The Chancellor of the Exchequer must publish the report of the review and lay the report before the House.”

---

Mr David Gauke 36  
 Schedule 28, page 536, line 6, leave out “tax”

Mr David Gauke 37  
 Schedule 28, page 536, line 15, leave out “resulting from the same tax arrangements” and insert “and the chosen arrangements;”

Mr David Gauke 38  
 Schedule 28, page 536, line 21, after “it” insert “and the chosen arrangements”

---

Mr David Gauke 35  
 Clause 222, page 151, leave out line 18

---

Charlie Elphicke 53  
 Clause 227, page 154, line 34, at end insert—  
 “(5) “Tax abuse” means any arrangement that, having regard to all the circumstances, it would be reasonable to conclude is an arrangement that has no business, social or other purpose other than the obtaining of a tax advantage.”

---

Charlie Elphicke 54  
 Clause 228, page 155, line 35, at end insert—  
 “(8) It shall be a summary offence to promote a relevant proposal or relevant arrangement which meets the definition of “tax abuse”.  
 (9) A promoter found guilty of an offence under subsection (8) shall be liable to a fine not exceeding level 1 on the standard scale.”

---

---

**Finance Bill, *continued***

- Mr David Gauke 39  
 Clause 242, page 163, line 19, after “subsection (3)” insert “or (10)”
- 
- Mr David Gauke 40  
 Clause 244, page 165, line 17, at end insert “, and  
 (d) any person who the monitored promoter could reasonably be expected to know is a relevant intermediary in relation to a relevant proposal of the monitored promoter.”
- Mr David Gauke 41  
 Clause 244, page 165, line 34, at end insert—  
 “( ) A person is a relevant intermediary in relation to a relevant proposal of a monitored promoter if the person meets the conditions in section 229(a) to (c) (meaning of “intermediary”) at any time while the monitoring notice in relation to the monitored promoter has effect.”
- Mr David Gauke 42  
 Clause 244, page 165, line 36, leave out “or (2)(c)”
- Mr David Gauke 43  
 Clause 244, page 165, line 41, at end insert—  
 “( ) in the case of a person falling within subsection (2)(c), the period of 30 days beginning with the later of the day of the notification mentioned in subsection (1) and the first day on which the monitored promoter could reasonably be expected to know that the person fell within subsection (4), and  
 ( ) in the case of a person falling within subsection (2)(d), the period of 30 days beginning with the later of the day of the notification mentioned in subsection (1) and the first day on which the monitored promoter could reasonably be expected to know that the person was a relevant intermediary in relation to a relevant proposal of the monitored promoter.”
- 
- Mr David Gauke 44  
 Clause 251, page 170, line 39, leave out paragraph (b) and insert—  
 “( ) requires the person to provide the information.”
- Mr David Gauke 45  
 Clause 251, page 171, line 11, leave out paragraph (b) and insert—  
 “( ) requires the person to provide the information.”

---

**Finance Bill, *continued***

Mr David Gauke

Clause 251, page 171, line 19, leave out paragraph (b) and insert—  
“( ) requires the person to provide the information.”

---

46

Charlie Elphicke

Clause 264, page 178, line 9, leave out subsection (1) and insert—  
“(1) In carrying out its functions under this Part, HMRC may require any person to disclose any privileged information.”

---

55

Mr David Gauke

Clause 266, page 179, line 4, after “information” insert “or documents”

---

47

Mr David Gauke

Schedule 31, page 546, line 34, leave out “client” and insert “clients and intermediaries”

---

50

Mr David Gauke

Clause 270, page 180, line 45, at end insert—  
“( ) In section 240 of IHTA 1984 (underpayments)—  
(a) in subsection (3) for “and (5)” substitute “to (5A)”,  
(b) in subsection (5), for “those dates” substitute “the dates in subsection (2)(a) and (b)”,  
(c) after subsection (5) insert—  
“(5A) Proceedings in a case involving a loss of tax attributable to arrangements which were expected to give rise to a tax advantage in respect of which a person liable for the tax was under an obligation to make a report under section 246 of the Finance Act 2014 (duty to notify Commissioners of promoter reference number) but failed to do so, may be brought at any time not more than 20 years after the later of the dates in subsection (2)(a) and (b).”, and

48

---

**Finance Bill, *continued***

- (d) in subsection (8), for “, (5) and (6)” substitute “to (6)”.
- 

Mr David Gauke

49

Clause 272, page 182, line 13, leave out paragraph (b) and insert—

- “( ) the officer of Revenue and Customs intends to seek the approval of the tribunal to the giving of the notice.”
- 

Mr David Gauke

51

Schedule 32, page 552, line 9, leave out sub-paragraph (2) and insert—

- “( ) But in this Part of this Act “partnership” does not include a body of persons forming a legal person that is distinct from themselves (and paragraphs 2 to 21 may accordingly be disregarded in applying this Part of this Act to such a body of persons).”
- 

Ed Balls  
Chris Leslie  
Cathy Jamieson  
Catherine McKinnell  
Shabana Mahmood

57

Clause 278, page 187, line 28, at end insert—

- “(1) Before bringing forward any further reform of The Code of Practice on Taxation of Banks, 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.”
-

**Finance Bill, continued***NEW CLAUSES*

Ed Balls  
Chris Leslie  
Cathy Jamieson  
Catherine McKinnell  
Shabana Mahmood

NC1

To move the following Clause—

**“Lower rate of tax**

- (3) The Chancellor of the Exchequer shall, within six months of Royal Assent, lay before Parliament a report containing proposals for an income tax rate of 10 per cent on a band of income above the personal allowance.
  - (4) The report mentioned in subsection (1) above shall provide for the full benefit of the 10 per cent. rate not being available to taxpayers paying the higher or additional rates of tax.”
- 

Ed Balls  
Chris Leslie  
Cathy Jamieson  
Catherine McKinnell  
Shabana Mahmood

NC2

To move the following Clause—

**“Higher rate of tax**

- (1) The Chancellor of the Exchequer shall, within three months of the passing of this Act, undertake a review of the number of people paying the 40 per cent rate of income tax in the years—
    - (a) 2010-2011;
    - (b) 2011-2012;
    - (c) 2012-2013; and
    - (d) 2013-2014.
  - (2) The Chancellor of the Exchequer must publish the report of the review and lay the report before the House.”
-

---

**Finance Bill, *continued***

Ed Balls  
Chris Leslie  
Cathy Jamieson  
Catherine McKinnell  
Shabana Mahmood

NC3

To move the following Clause—

**“Personal allowance for those born after 5 April 1948**

The Chancellor of the Exchequer shall, within three months of the passing of this Act, undertake a review of the impact of the removal of the age-related personal allowance on anyone who reached the age of 65 on or after April 2013 and place a copy in the Library.”

---

Ed Balls  
Chris Leslie  
Cathy Jamieson  
Catherine McKinnell  
Shabana Mahmood

NC4

To move the following Clause—

**“Capital gains tax and employee shareholders**

- (1) The Chancellor of the Exchequer shall, within three months of the passing of this Act, undertake a review of the impact on tax revenues of employee shareholder status as defined by section 205A of the Employment Rights Act 1996, and set out the conclusion of the review in a report.
  - (2) The report referred to in subsection (1) above must in particular set out—
    - (a) the impact on total capital gains tax receipts paid to the Exchequer arising from the capital gains exemptions under section 236B of the Taxation of Chargeable Gains Act 1992;
    - (b) the estimated value of shares owned by employees working in employee shareholder jobs and the number of such employees.
  - (3) The Chancellor of the Exchequer must publish the report of the review and lay the report before the House.
  - (4) Subsequent reviews must be completed before the end of each period of 12 months beginning with the date on which the previous review was completed.”
-

---

**Finance Bill, *continued***

Ed Balls  
Chris Leslie  
Cathy Jamieson  
Catherine McKinnell  
Shabana Mahmood

NC5

To move the following Clause—

**“Review of reform to the annual investment allowance**

- (1) The Chancellor of the Exchequer shall, within three months of the passing of this Act, undertake a review of the impact on business investment of changes to section 51A of the Capital Allowance Act 2001 made by the Finance Act 2011.
  - (2) The Chancellor of the Exchequer must publish the report of the review and lay the report before the House.”
- 

Ed Balls  
Chris Leslie  
Cathy Jamieson  
Catherine McKinnell  
Shabana Mahmood

NC6

To move the following Clause—

**“Report on the additional rate of income tax**

- (1) The Chancellor of the Exchequer shall, within three months of the passing of this Act, publish a report on the additional rate of income tax.
  - (2) This report shall review the impact upon Exchequer receipts of setting the additional rate to 50 per cent in the tax year 2014-15.
  - (3) The report shall review what impact reducing the additional rate for 2013-14 had on the amount of income tax currently paid by those with taxable incomes of—
    - (a) over £150,000 per year; and
    - (b) over £1,000,000 per year.
  - (4) The report shall review what impact the reduction in the additional rate for 2013-14 had on the level of bonuses awarded in the financial sector in April 2013.”
- 

Cathy Jamieson  
Catherine McKinnell  
Shabana Mahmood

NC7

To move the following Clause—

**“False self-employment in the construction sector**

- (1) The Chancellor of the Exchequer shall, within three months of Royal Assent, undertake a review of disguised self-employment in the construction sector.



**Finance Bill, continued**

- (2) The report referred to in subsection (1) above must in particular examine the setting of criteria for automatically deeming people to be employed for tax purposes if they meet those criteria.
- (3) The Chancellor of the Exchequer must publish the report of the review and lay the report before the House.”

---

Ed Balls  
Chris Leslie  
Shabana Mahmood  
Cathy Jamieson  
Catherine McKinnell

NC8

To move the following Clause—

**Pension flexibility: Treasury analysis**

- (1) The Chancellor of the Exchequer shall, within six months of this Act receiving Royal Assent, publish and lay before the House of Commons any analysis prepared by the Treasury prior to the publication of Budget 2014 relating to the impact of changes made by sections 39 to 43 of this Act to Schedules 28 and 29 to the Finance Act 2004.
- (2) The information published under subsection (1) must include—
  - (a) any assessment made of the impact of the provision for independent face to face guidance on the 2004 Act;
  - (b) the distributional impact, by income decile of the population, of changes made by sections 39 to 43 of this Act;
  - (c) a behavioural analysis; and
  - (d) the financial risk assessment.”

---

**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

**Finance Bill, continued**

- 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**

<i>Proceedings</i>	<i>Time for conclusion of proceedings</i>
<i>First Day</i>	
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
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
<i>Second Day</i>	
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.

---

**Finance Bill, *continued***

ORDER OF THE COMMITTEE [29 APRIL 2014]  
(AS AMENDED ON 10 JUNE 2014)

That—

- (1) The Committee shall (in addition to its first meeting at 9.10 am on Tuesday 29 April) meet—
    - (a) at 2.00 pm on Tuesday 29 April;
    - (b) at 11.30 am and 2.00 pm on Thursday 1 May;
    - (c) at 3.30 pm on Tuesday 6 May;
    - (d) at 11.30 am and 2.00 pm on Thursday 8 May;
    - (e) at 9.10 am and 2.00 pm on Tuesday 13 May;
    - (f) at 9.10 am and 2.00 pm on Tuesday 10 June;
    - (g) 2.00 pm on Thursday 12 June;
    - (h) at 9.10 am and 2.00 pm on Tuesday 17 June.
  - (2) Proceedings on consideration of the Bill in Committee shall be taken in the following order: Clauses 2 to 4; Clauses 8 to 10; Schedule 2; Clauses 12 to 15; Schedule 3; Clauses 16 to 18; Clauses 20 and 21; Clause 19; Clauses 22 to 41; Schedule 4; Clauses 42 and 43; Schedule 5; Clauses 44 to 48; Schedule 6; Clause 49; Schedule 7; Clause 50; Schedule 8; Clauses 51 to 53; Schedules 9 and 10; Clauses 54 to 56; Clause 284; Clauses 57 to 64; Schedule 11; Clause 65; Schedule 12; Clauses 66 to 68; Schedule 13; Clauses 69 to 71; Clauses 75 to 80; Schedule 14; Clauses 81 to 85; Schedule 15; Clauses 86 to 93; Schedule 16; Clauses 94 and 95; Schedule 17; Clauses 96 to 100; Schedule 18; Clauses 101 to 106; Schedule 19; Clauses 107 and 108; Schedule 20; Clauses 109 and 110; Schedule 21; Clause 111; Clause 113; Schedule 22; Clauses 114 to 170; Schedule 23; Clauses 171 to 189; Schedule 24; Clause 190; Schedule 25; Clauses 191 to 202; Schedule 26; Clauses 203 to 208; Schedule 27; Clauses 209 to 221; Schedule 28; Clauses 222 to 226; Schedule 29; Clauses 227 to 230; Schedule 30; Clauses 231 to 267; Schedule 31; Clauses 268 to 274; Schedule 32; Clauses 275 to 283; Schedule 33; Clauses 285 to 289; Schedule 34; Clauses 290 to 295; new Clauses other than those 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; new Schedules other than those 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; remaining proceedings on the Bill.
  - (3) The proceedings shall (so far as not previously concluded) be brought to a conclusion at 5.00 pm on Tuesday 17 June.
-