



SUPPLEMENT TO THE VOTES AND PROCEEDINGS

Tuesday 1 July 2014

REPORT STAGE PROCEEDINGS

FINANCE BILL, AS AMENDED

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

Ed Balls
Chris Leslie
Cathy Jamieson
Catherine McKinnell
Shabana Mahmood

Negatived on division **NC14**

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) The report shall set out the impact upon Exchequer receipts of setting the additional rate at 50 per cent in the tax year 2015-16.
 - (3) The report shall set out the impact of reducing the additional rate for 2013-14 on the amount of income tax paid by—
 - (a) all people who are liable for the additional rate;
 - (b) those with taxable incomes of over £250,000 per year; and
 - (c) those with taxable incomes of over £1,000,000 per year.
 - (4) The report shall set out the impact of the reduction in the additional rate for 2013-14 on the level of bonuses awarded in April 2013 to employees in the financial sector.”
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Finance Bill, continued*NEW CLAUSES AND NEW SCHEDULES RELATING TO STAMP DUTY LAND TAX;
AMENDMENTS TO CLAUSES 105 TO 107 AND SCHEDULE 19*

Mr Chancellor of the Exchequer

Agreed to NC7

To move the following Clause—

“SDLT: exercise of collective rights by tenants of flats

- (1) In section 74 of FA 2003 (exercise of collective rights by tenants of flats), in subsection (1A) for “£2,000,000”, in each place it occurs, substitute “£500,000”.
- (2) The amendments made by this section have effect in relation to any chargeable transaction of which the effective date is on or after 1 July 2014.
- (3) But the amendments do not have effect in relation to a transaction—
 - (a) effected in pursuance of a contract entered into and substantially performed before 20 March 2014, or
 - (b) effected in pursuance of a contract entered into before that date and not excluded by subsection (4).
- (4) A transaction effected in pursuance of a contract entered into before 20 March 2014 is excluded by this subsection if—
 - (a) there is any variation of the contract, or assignment (or assignation) of rights under the contract, on or after 20 March 2014,
 - (b) the transaction is effected in consequence of the exercise on or after that date of any option, right of pre-emption or similar right, or
 - (c) on or after that date there is an assignment (or assignation), subsale or other transaction relating to the whole or part of the subject-matter of the contract as a result of which a person other than the purchaser under the contract becomes entitled to call for a conveyance.”

Ed Balls
Chris Leslie
Cathy Jamieson
Catherine McKinnell
Shabana Mahmood

Negated on division 67

Clause 107, page 90, line 33, at end insert—

- ‘(5A) The Chancellor of the Exchequer shall, within six months of this Act receiving Royal Assent, publish and lay before the House of Commons a report setting out the impact of changes made to Schedule 19 of the Finance Act 1999 by this section.
- (5B) The report referred to in subsection (5A) must in particular consider—
 - (a) the impact on tax revenues;
 - (b) the expected beneficiaries; and
 - (c) a distributional analysis of the beneficiaries.”

Finance Bill, continued*NEW CLAUSES AND NEW SCHEDULES RELATING TO EMPLOYEE SHAREHOLDER SHARES*

Ed Balls
Chris Leslie
Cathy Jamieson
Catherine McKinnell
Shabana Mahmood

Negatived on division NC11

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.”

NEW CLAUSES AND NEW SCHEDULES RELATING TO TAX ARRANGEMENTS THAT ARE ABUSIVE

Ed Balls
Chris Leslie
Cathy Jamieson
Catherine McKinnell
Shabana Mahmood

Negatived on division NC12

To move the following Clause—

“Report on tax advantages arising from tax arrangements that are abusive

- (1) The Chancellor of the Exchequer shall, within six months of this Act receiving Royal Assent, publish and lay before the House of Commons a report setting out further proposals to reduce the tax advantages arising from tax arrangements that are abusive.
- (2) The report referred to in subsection (1) must in particular include proposals about—
 - (a) the exemption from the obligation to deduct tax on yearly interest in respect of interest received on a quoted Eurobond contained in section 882 of the Income Tax Act 2007;
 - (b) disguised employment in the construction sector; and
 - (c) the use of dormant companies as a means of tax avoidance.

Finance Bill, *continued*

- (3) The report referred to in subsection (1) must set out the estimated impact of the proposals contained in the report on the total receipts paid to the Exchequer.”