



SUPPLEMENT TO THE VOTES AND PROCEEDINGS

Wednesday 25 March 2015

COMMITTEE OF THE WHOLE HOUSE
PROCEEDINGS

FINANCE (NO. 2) BILL

Clauses 66 and 67 agreed to.

NEW CLAUSE RELATING TO VALUE ADDED TAX

Ed Balls
Chris Leslie
Shabana Mahmood
Cathy Jamieson

Negatived on division (Ayes 231, Noes 305) NC1

★ To move the following Clause—

“Report on impact of value added tax

- (1) The Chancellor of the Exchequer shall, within three months of the passing of this Act, publish a report on the impact of the increase in the standard rate of VAT which took effect from 4 January 2011.
 - (2) The report must estimate the impact of the increase in the standard rate of value added tax on—
 - (a) living standards;
 - (b) small businesses;
 - (c) the fairness of the taxation system; and
 - (d) economic growth.”
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Ed Balls
Chris Leslie
Shabana Mahmood
Cathy Jamieson
Caroline Lucas

Negatived on division (Ayes 230, Noes 309) 1

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

Finance (No. 2) Bill, continued

- “(3) 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.
- (4) The report must estimate the impact of setting the additional rate for 2015-16 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.”

Clause agreed to.

Clauses 2 to 5 agreed to.

Ed Balls
Chris Leslie
Shabana Mahmood
Cathy Jamieson

Negated on division (Ayes 229, Noes 306) 2

- ★ Clause 6, page 3, line 39, at end insert—
- “(3) The Chancellor of the Exchequer shall undertake a review, within six months of the passing of this Act, of the impact of a cut of one per cent to the main rate of Corporation Tax for financial year 2016, 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.
- (4) The Chancellor of the Exchequer must publish the report of the review and lay the report before the House.”

Clauses 6 to 65 and 68 to 127 agreed to.

Schedules 1 to 21 agreed to.

Caroline Lucas
Andrew George

Not called 3

- ★ Clause 21, page 24, line 46, at end insert—

“809EZI Commencement

This Part shall not come into force until the Chancellor of the Exchequer has published a report on the impact of including “carried interest” in the definition of “management fee” in section 809EZA.”

Finance (No. 2) Bill, continued

Caroline Lucas
Andrew George

Not called NC2

★ To move the following Clause—

“Income tax treatment of private equity fund securities

- (1) The Chancellor of the Exchequer shall, within three months of the passing of this Act, publish a report on the impact of changing the income tax treatment of employment-related securities where the employment relates to the operations of a collective investment scheme the sole or main purpose of which is to invest in unquoted shares or securities.
 - (2) The report mentioned in subsection (1) must in particular assess the impact of treating as employment income of the employee for the tax year in which it arises any sum arising in respect of such a security (being a sum not otherwise charged to income tax) which (whether in connection with a disposal or otherwise) directly or indirectly represents profits or gains on investments made for the purposes of the scheme.
 - (3) For the purposes of subsections (1) and (2) “employment-related securities”, “the employment” and “the employee” have the meanings indicated in section 421B(8) of the Income Tax (Earnings and Pensions) Act 2003 and “collective investment scheme” has the meaning given in section 420(2) of the Income Tax (Earnings and Pensions) Act 2003.”
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