



# House of Commons

Wednesday 11 October 2017

## COMMITTEE OF THE WHOLE HOUSE

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*New Amendments handed in are marked thus ★*

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

### FINANCE BILL

**(Clause 5 and any new Clauses or new Schedules relating to the tax treatment of payments or benefits received in connection with the termination of an employment or a change in the duties in, or earnings from, an employment; Clause 15 and any new Clauses or new Schedules relating to the conditions under which business investment relief in Chapter A1 of Part 14 of the Income Tax Act 2007 is available; Clause 25 and any new Clauses or new Schedules relating to the extent to which trading profits are chargeable to corporation tax at the Northern Ireland rate)**

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#### NOTE

**This document includes all amendments tabled to date and includes any withdrawn amendments at the end. The amendments have been arranged in accordance with the Order of the House [12 September 2017].**

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*PROCEEDINGS COMMITTED UNDER PARAGRAPH (1)(A) (TERMINATION PAYMENTS ETC)*

Jeremy Corbyn  
John McDonnell  
Mr Nicholas Brown  
Peter Dowd  
Jonathan Reynolds  
Anneliese Dodds

1

Clause 5, page 12, leave out lines 8 to 12

***Member's explanatory statement***

*This amendment removes the power for the Treasury to amend the meaning of "basic pay" for the purposes of calculating "post-employment notice pay" by regulations.*

Finance Bill, *continued*

Kirsty Blackman  
 Ian Blackford  
 Patrick Grady  
 Alison Thewliss  
 Stewart Hosie  
 Neil Gray

Hannah Bardell	Mhairi Black	Deidre Brock
Alan Brown	Dr Lisa Cameron	Douglas Chapman
Joanna Cherry	Ronnie Cowan	Angela Crawley
Martyn Day	Martin Docherty-Hughes	Marion Fellows
Stephen Gethins	Patricia Gibson	Peter Grant
Drew Hendry	Chris Law	David Linden
Angus Brendan MacNeil	Stewart Malcolm McDonald	Stuart C. McDonald
John McNally	Carol Monaghan	Gavin Newlands
Brendan O'Hara	Tommy Sheppard	Chris Stephens
Dr Philippa Whitford	Pete Wishart	

12

Clause 5, page 13, line 27, at end insert—

**“402F Review of impact of termination payments on low income workers**

- (1) Within two months of Royal Assent being given to the Finance (No. 2) Act 2017, the Chancellor of the Exchequer shall commission a review of the impact of the provisions of sections 402A to 402E on low income workers.
- (2) A report of this review must be laid before the House of Commons before the start of the tax year 2018–19.”

***Member's explanatory statement***

*This amendment requires the Chancellor of the Exchequer to carry out a review of how the changes to termination payments will affect low income workers before these provisions come into effect.*

Jeremy Corbyn  
 John McDonnell  
 Mr Nicholas Brown  
 Peter Dowd  
 Jonathan Reynolds  
 Anneliese Dodds

2

Clause 5, page 14, line 15, leave out “different” and insert “higher”

***Member's explanatory statement***

*This amendment removes the power for the Treasury to reduce the £30,000 threshold in connection with the taxation of termination payments by regulations.*

Jeremy Corbyn  
 John McDonnell  
 Mr Nicholas Brown  
 Peter Dowd  
 Jonathan Reynolds  
 Anneliese Dodds

3

Clause 5, page 14, leave out lines 20 to 23

***Member's explanatory statement***

*This amendment is consequential upon Amendment 2.*

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**Finance Bill, continued**

Jeremy Corbyn  
John McDonnell  
Mr Nicholas Brown  
Peter Dowd  
Jonathan Reynolds  
Anneliese Dodds

Clause 5, page 14, leave out lines 27 and 28 and insert—

- “(2) “Injury” in subsection (1) includes—  
 (a) psychiatric injury, and  
 (b) injured feelings.””

***Member’s explanatory statement***

*This amendment explicitly includes (rather than excludes) injured feelings within the definition of “injury” for the purposes of payments which are excluded from the provisions of Chapter 3 of Part 6 of the Income Tax (Earnings and Pensions) Act 2003 (payments and benefits on termination of employment).*

4

Jeremy Corbyn  
John McDonnell  
Mr Nicholas Brown  
Peter Dowd  
Jonathan Reynolds  
Anneliese Dodds

Page 9, line 26, leave out Clause 5

5

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*PROCEEDINGS COMMITTED UNDER PARAGRAPH (1)(B) (BUSINESS INVESTMENT RELIEF)*

Jeremy Corbyn  
John McDonnell  
Mr Nicholas Brown  
Peter Dowd  
Jonathan Reynolds  
Anneliese Dodds

Clause 15, page 21, line 6, at end insert—

- “(b) in subsection (4), leave out “and B” and insert “to C”;  
 (c) leave out subsection (5) and insert—

“(5) Condition A is defined in section 809VD.

(5A) Condition B is defined in section 809VF.

(5B) Condition C is defined in section 809VFA.””

***Member’s explanatory statement***

*This amendment paves the way for the creation of a new condition to be met in order for business investment to qualify for relief, as set out in Amendment 7.*

6

Finance Bill, *continued*

Jeremy Corbyn  
John McDonnell  
Mr Nicholas Brown  
Peter Dowd  
Jonathan Reynolds  
Anneliese Dodds

7

Clause 15, page 21, line 32, at end insert—  
“(4A) After section 809VF (Condition B) insert—

**“809VFA Condition C**

- (1) Condition C is that the person making that investment registers the source of the investment on a public register in a manner prescribed by regulations.
- (2) The Treasury shall by regulations prescribe the manner for public registration of the source of investments.
- (3) A statutory instrument containing regulations under subsection (2) may not be made unless a draft of it has been laid before, and approved by a resolution of, the House of Commons.””

***Member’s explanatory statement***

*This amendment creates a new condition to be met in order for business investment to qualify for relief, namely that the source of the investment appears on a public register.*

Jeremy Corbyn  
John McDonnell  
Mr Nicholas Brown  
Peter Dowd  
Jonathan Reynolds  
Anneliese Dodds

8

Clause 15, page 22, line 20, after “section”, insert “(other than those specified in subsection (9))”

***Member’s explanatory statement***

*This amendment paves the way for Amendment 9.*

Kirsty Blackman  
Ian Blackford  
Patrick Grady  
Alison Thewliss  
Stewart Hosie  
Neil Gray

Hannah Bardell  
Alan Brown  
Joanna Cherry  
Martyn Day  
Stephen Gethins  
Drew Hendry  
Angus Brendan MacNeil  
John McNally  
Brendan O’Hara  
Dr Philippa Whitford

Mhairi Black  
Dr Lisa Cameron  
Ronnie Cowan  
Martin Docherty-Hughes  
Patricia Gibson  
Chris Law  
Stewart Malcolm McDonald  
Carol Monaghan  
Tommy Sheppard  
Pete Wishart

Deidre Brock  
Douglas Chapman  
Angela Crawley  
Marion Fellows  
Peter Grant  
David Linden  
Stuart C. McDonald  
Gavin Newlands  
Chris Stephens

13

Clause 15, page 22, line 21, leave out “on or after 6 April 2017” and insert “on or after the date on which the Chancellor of the Exchequer lays before the House of

**Finance Bill, continued**

Commons a report of the review undertaken under section 809VP of ITA 2007”

**Member’s explanatory statement**

*This amendment would provide that the changes in Clause 15 do not have effect until after the Chancellor of the Exchequer has laid before the House of Commons the review provided for in NC3.*

Jeremy Corbyn  
John McDonnell  
Mr Nicholas Brown  
Peter Dowd  
Jonathan Reynolds  
Anneliese Dodds

9

Clause 15, page 22, line 21, at end insert—

“(9) The amendments specified in this subsection are—

- (a) the amendments in subsection (2)(b) and (c);
- (b) the amendment in subsection (4A).

(10) The amendments specified in subsection (9) have effect where the relevant event as defined in section 809VA of ITA 2007 occurs on or after the date of Royal Assent.”

**Member’s explanatory statement**

*This amendment provides that the amendments to the Income Tax Act 2007 contained in Amendments 6 and 7 shall come into force from the date of Royal Assent.*

Jeremy Corbyn  
John McDonnell  
Mr Nicholas Brown  
Peter Dowd  
Jonathan Reynolds  
Anneliese Dodds

10

Page 21, line 3, leave out Clause 15

Jeremy Corbyn  
John McDonnell  
Mr Nicholas Brown  
Peter Dowd  
Jonathan Reynolds  
Anneliese Dodds

NC1

To move the following Clause—

**“Review of conditions under which business investment relief is available**

- (1) Chapter A1 of Part 14 of ITA 2007 (remittance basis) is amended as follows.
- (2) After section 809VO (investments made from mixed funds), insert—

**“809VP Review of conditions under which business investment relief is available**

- (1) Within six months of the coming into force of section 15 of the Finance (No. 2) Act 2017, the Commissioners for Her Majesty’s Revenue and

**Finance Bill, continued**

Customs shall complete a review of the conditions under which business investment relief is available.

- (2) For the purposes of this section “the conditions” means—
  - (a) Condition A as defined in section 809VD,
  - (b) Condition B as defined in section 809VF.
- (3) The review shall make an estimate of the value of the reliefs granted as a result of the conditions in respect of each tax year for which the relief has been available.
- (4) The review shall make an estimate of the change in the value of the reliefs granted as a result of—
  - (a) changes to the conditions relating to eligible hybrid companies,
  - (b) changes to the periods specified in sections 809VD and 809VH,
  - (c) changes to the grace period in section 809VJ.
- (5) The review shall make an assessment of the effectiveness of the conditions in relation to the stated policy aims of the Government in relation to business investment relief.
- (6) The review shall prepare an analysis of the characteristics of beneficiaries of reliefs having particular regard to—
  - (a) income distribution,
  - (b) gender and other protected characteristics under the Equality Act 2010,
  - (c) domicile (including deemed domicile).
- (7) A report of the review under this section shall be laid before the House of Commons within one calendar month of its completion.””

***Member’s explanatory statement***

*This new clause requires HMRC to carry out a review of the conditions under which business investment relief is available, including estimates of the value of the reliefs (before and after the changes proposed in this Bill) and an analysis of the characteristics of those using the relief, including their domicile status.*

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**Finance Bill, continued**

Kirsty Blackman  
 Ian Blackford  
 Patrick Grady  
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Hannah Bardell	Mhairi Black	Deidre Brock
Alan Brown	Dr Lisa Cameron	Douglas Chapman
Joanna Cherry	Ronnie Cowan	Angela Crawley
Martyn Day	Martin Docherty-Hughes	Marion Fellows
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Angus Brendan MacNeil	Stewart Malcolm McDonald	Stuart C. McDonald
John McNally	Carol Monaghan	Gavin Newlands
Brendan O'Hara	Tommy Sheppard	Chris Stephens
Dr Philippa Whitford	Pete Wishart	

NC3

To move the following Clause—

**“Review of the efficacy of the conditions for business investment relief**

- (1) Chapter A1 of Part 14 of ITA 2007 (remittance basis) is amended as follows.
- (2) After section 809VO (investments made from mixed funds), insert—

**“809VP Review of efficacy of the conditions for business investment relief**

- (1) Within two months of Royal Assent to the Finance (No. 2) Act 2017, the Commissioners for Her Majesty’s Revenue and Customs shall complete a review of the impact of the conditions for business investment relief in encouraging investment in the UK.
- (2) The review shall make an estimate of additional investment as a result of the condition for business investment relief—
  - (a) prior to Royal Assent being given to the Finance (No. 2) Act 2017, and
  - (b) if the changes to those conditions in section 15 of the Finance (No. 2) Act were brought into force.
- (3) The Chancellor of the Exchequer shall lay the report of this review before the House of Commons.””

***Member’s explanatory statement***

*This new clause requires HMRC to carry out a review of efficacy of the conditions under which business investment relief is available and the Chancellor to lay it before the House of Commons.*

**Finance Bill, continued***PROCEEDINGS COMMITTED UNDER PARAGRAPH (1)(C) (TRADING PROFITS TAXABLE AT THE NORTHERN IRELAND RATE)*

Jeremy Corbyn  
 John McDonnell  
 Mr Nicholas Brown  
 Peter Dowd  
 Jonathan Reynolds  
 Anneliese Dodds

11

Page 35, line 9, leave out Clause 25

Jeremy Corbyn  
 John McDonnell  
 Mr Nicholas Brown  
 Peter Dowd  
 Jonathan Reynolds  
 Anneliese Dodds

NC2

To move the following Clause—

**“Review of changes to chargeability of trading profits to corporation tax at Northern Ireland rate**

- (1) CTA 2010 is amended as follows.
- (2) After section 357WH (Allocation of Northern Ireland profits etc of firm to company), insert—

**“357WI Review of changes to chargeability of trading profits to corporation tax at Northern Ireland rate**

- (1) As soon as practicable after the completion of the first financial year in respect of which the Northern Ireland rate is set by the Northern Ireland Assembly in accordance with the provisions of section 357IA, the Commissioners for Her Majesty’s Revenue and Customs shall complete a review of the effects of the changes to chargeability of trading profits to corporation tax at the Northern Ireland rate made in Schedule 7 to the Finance (No. 2) Act 2017.
- (2) A review under this section shall consider in particular the effect of those changes on the extent to which companies are based in—
  - (a) Northern Ireland, and
  - (b) Great Britain.
- (3) A review under this section shall also consider the effect of those changes on the extent to which the profits or losses of companies and firms are Northern Ireland profits or losses.
- (4) A review under this section shall also consider the effect on employment in—
  - (a) Northern Ireland, and
  - (b) Great Britain.

**Finance Bill, continued**

- (5) A report of the review under this section shall be laid before the House of Commons within one calendar month of its completion.””

**Member's explanatory statement**

*This new clause requires HMRC to carry out a review after the first year of operation of the Northern Ireland rate of the effect of the changes in Schedule 7 on the location of companies in Northern Ireland and in Great Britain, the extent to which trading profits and losses are treated as subject to the Northern Ireland rate and on employment in Northern Ireland and in Great Britain.*

## ORDER OF THE HOUSE [12 SEPTEMBER 2017]

That the following provisions shall apply to the Finance Bill:

*Committal*

1. The following shall be committed to a Committee of the whole House—
  - (a) Clause 5 (termination payments etc: amounts chargeable on employment income) and any new Clauses or new Schedules relating to the tax treatment of payments or benefits received in connection with the termination of an employment or a change in the duties in, or earnings from, an employment;
  - (b) Clause 15 (business investment relief) and any new Clauses or new Schedules relating to the conditions under which business investment relief in Chapter A1 of Part 14 of the Income Tax Act 2007 is available;
  - (c) Clause 25 (trading profits taxable at the Northern Ireland rate) and any new Clauses or new Schedules relating to the extent to which trading profits are chargeable to corporation tax at the Northern Ireland rate.
2. The remainder of the Bill shall be committed to a Public Bill Committee.

*Proceedings in Committee of the whole House*

3. Proceedings in Committee of the whole House shall be completed in one day.
4. Those proceedings shall be taken in the order shown in the first column of the following Table.
5. Each part of the proceedings shall (so far as not previously concluded) be brought to a conclusion at the times specified in the second column of the Table.
6. 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>
Proceedings committed under paragraph (1)(a) (termination payments etc)	2 hours from commencement of proceedings on the Bill
Proceedings committed under paragraph (1)(b) (business investment relief)	4 hours from commencement of proceedings on the Bill

**Finance Bill, continued**

<i>Proceedings</i>	<i>Time for conclusion of proceedings</i>
Proceedings committed under paragraph (1)(c) (trading profits taxable at the Northern Ireland rate)	6 hours from commencement of proceedings on the Bill

*Proceedings in Public Bill Committee etc*

7. Proceedings in the Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on 26 October 2017.
8. The Public Bill Committee shall have leave to sit twice on the first day on which it meets.
9. 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.

*Proceedings on Consideration and up to and including Third Reading*

10. Proceedings on Consideration and any proceedings in legislative grand committee shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which proceedings on Consideration are commenced.
  11. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.
  12. Standing Order No. 83B (programming committees) shall not apply to proceedings on Consideration and up to and including Third Reading.
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