



House of Commons

Tuesday 17 October 2017

PUBLIC BILL COMMITTEE PROCEEDINGS

FINANCE BILL

(Except 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)

[FIRST AND SECOND SITTINGS]

GLOSSARY

This document shows the fate of each clause, schedule, amendment and new clause.

The following terms are used:

Agreed to: agreed without a vote.

Agreed to on division: agreed following a vote.

Negatived: rejected without a vote.

Negatived on division: rejected following a vote.

Not called: debated in a group of amendments, but not put to a decision.

Not moved: not debated or put to a decision.

Question proposed: debate underway but not concluded.

Withdrawn after debate: moved and debated but then withdrawn, so not put to a decision.

Not selected: not chosen for debate by the Chair.

Mel Stride

Agreed to

That—

- (1) the Committee shall (in addition to its first meeting at 9.25 am on Tuesday 17 October) meet—
 - (a) at 2.00 pm on Tuesday 17 October;
 - (b) at 11.30 am and 2.00 pm on Thursday 19 October;

Finance Bill, *continued*

- (c) at 9.25 am and 2.00 pm on Tuesday 24 October;
- (d) at 11.30 am and 2.00 pm on Thursday 26 October;
- (2) the proceedings shall be taken in the following order: Clauses 1 to 4; Clauses 6 to 14; Schedule 1; Clause 16; Schedule 2; Clause 17; Schedule 3; Clause 18; Schedule 4; Clauses 19 and 20; Schedule 5; Clause 21; Schedule 6; Clauses 22 to 24; Schedule 7; Clauses 26 to 29; Schedule 8; Clauses 30 and 31; Schedule 9; Clauses 32 and 33; Schedule 10; Clause 34; Schedule 11; Clause 35; Schedule 12; Clauses 36 to 55; Schedule 13; Clauses 56 to 61; Schedule 14; Clauses 62 and 63; Schedule 15; Clauses 64 and 65; Schedule 16; Clause 66; Schedule 17; Clause 67; Schedule 18; Clauses 68 to 72; new Clauses; new Schedules; 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 Thursday 26 October.

Mel Stride

That, subject to the discretion of the Chair, any written evidence received by the Committee shall be reported to the House for publication.

Agreed to

Clause 1 agreed to.

Peter Dowd
Anneliese Dodds
Jeff Smith

Withdrawn after debate 13

Clause 2, page 5, line 7, at end insert—

“(5A) After section 170 (Orders etc relating to this Chapter), insert—

“**170A170A Review of changes to appropriate percentages etc for cars**

- (1) Prior to 31 March 2018, the Commissioners for Her Majesty’s Revenue and Customs shall complete a review of the forecast effects of the amendments made by subsections (1) to (4) of section 2 of the Finance (No. 2) Act 2017.
- (2) The review shall consider in particular the effects on—
 - (a) the use of zero and ultra-low emission cars as company cars, and
 - (b) air quality in towns and cities
- (3) in each year from 2020-21 to 2030-31.
- (3) The Chancellor of the Exchequer shall lay a report of the review under this section before the House of Commons as soon as practicable after its completion.”

Clause agreed to.

Finance Bill, continued

Peter Dowd
Anneliese Dodds
Jeff Smith

Negatived on division 14

Clause 3, page 5, line 22, leave out “£500” and insert “£1,000”.

Kirsty Blackman
David Linden

Not called 11

Clause 3, page 6, line 16, at end insert—

“308D Review of use of provisions of section 308C

- (1) Within one year of the passing of the Finance (No. 2) Act 2017, the Commissioners for Her Majesty’s Revenue and Customs shall complete a review of the use of the provisions of section 308C in tax years 2017-18 and 2018-19.
- (2) The review shall consider in particular—
 - (a) the use of the relief by persons over 55, and
 - (b) the use of the relief by women born on or after 6 April 1950.
- (3) The Commissioners shall consult the Financial Conduct Authority in carrying out the review under this section.
- (4) The Chancellor of the Exchequer shall lay a report of the review under this section before the House of Commons as soon as practicable after its completion.”

Peter Dowd
Anneliese Dodds
Jeff Smith

Not called 15

Clause 3, page 6, line 16, at end insert—

“308D Review of effectiveness of provisions of section 308C

- (1) Prior to 30 June 2019, the Commissioners for Her Majesty’s Revenue and Customs shall complete a review of the effectiveness of the operation of the provisions of section 308C in tax years 2017-18 and 2018-19.
- (2) The review shall consider in particular—
 - (a) the estimated value of the exemption in each tax year,
 - (b) the effects of the Conditions in subsections (6) and (7), and
 - (c) the effects of the provisions on the availability and accessibility of relevant pensions advice.
- (3) The Commissioners shall consult the Financial Conduct Authority in carrying out the review under this section.
- (4) The Chancellor of the Exchequer shall lay a report of the review under this section before the House of Commons as soon as practicable after its completion.”

Clause agreed to.

Finance Bill, *continued*

Peter Dowd
Anneliese Dodds
Jeff Smith

Negatived on division 16

Clause 4, page 9, line 23, at end insert—

“(7A) After section 716B (Employment intermediaries, etc), insert—

“**716C170A Review of effectiveness of changes to reliefs for legal expenses**

- (4) Prior to 30 June 2019, the Commissioners for Her Majesty’s Revenue and Customs shall complete a review of the effectiveness of the changes made to this Act by section 3 of the Finance (No. 2) Act 2017.
- (5) The review shall consider in particular the estimated value of the additional relief provided as a result of the changes in each tax year.
- (6) The Chancellor of the Exchequer shall lay a report of the review under this section before the House of Commons as soon as practicable after its completion.””

Clause agreed to.

Clause 6 agreed to.

Peter Dowd
Anneliese Dodds
Jeff Smith

Withdrawn after debate 17

Clause 7, page 15, line 11, at end insert—

“(4A) After section 227G (when pension rights are first flexibly accessed), insert—

“**227H170A Review of effects of changes to money purchase annual allowance**

- (7) Prior to 30 June 2019, the Commissioners for Her Majesty’s Revenue and Customs shall complete a review of the effects of the changes made to this Act by section 7 of the Finance (No. 2) Act 2017.
- (8) The review shall consider in particular—
 - (a) the change to the tax charge applied in each tax year, and
 - (b) the behavioural effects of the changes.
- (3) The Chancellor of the Exchequer shall lay a report of the review under this section before the House of Commons as soon as practicable after its completion.””

Clause agreed to.

Finance Bill, continued

Peter Dowd
Anneliese Dodds
Jeff Smith

Negated on division 18

Clause 8, page 15, line 17, at end insert—

“(1A) After section 13A (income charged at the dividend nil rate), insert—

““13B170A Review of effects of changes to dividend nil rate

- (4) Prior to 30 June 2019, the Commissioners for Her Majesty’s Revenue and Customs shall complete a review of the effects of the changes made to this Act by section 8 of the Finance (No. 2) Act 2017.
- (5) The review shall consider in particular the effects on the self-employed.
- (6) The Chancellor of the Exchequer shall lay a report of the review under this section before the House of Commons as soon as practicable after its completion.””

Kirsty Blackman
David Linden

Not selected 12

Page 15, line 15, leave out Clause 8

Clause agreed to on division.

Peter Dowd
Anneliese Dodds
Jeff Smith

Withdrawn after debate 19

Clause 9, page 17, line 45, at end insert—

“512B Review of operation of sections 507A and 512A

- (1) Prior to 30 June 2020, the Commissioners for Her Majesty’s Revenue and Customs shall complete a review of the operation of sections 507A and 512A.
- (2) The review shall consider in particular—
 - (a) the number of applications made under each section,
 - (b) the number of occasions a gain was recalculated on a just and reasonable basis under each section.
- (3) The Chancellor of the Exchequer shall lay a report of the review under this section before the House of Commons as soon as practicable after its completion.”

Clause agreed to.

Clauses 10 to 14 agreed to.

Finance Bill, *continued*

Peter Dowd
Anneliese Dodds
Jeff Smith

Negatived on division 20

Schedule 1, page 103, line 37, at end insert—
“10A After section 257TE (minor definitions etc), insert—

““257TF170A **Review of operation of this Part**

- (1) Prior to 30 June 2019, the Commissioners for Her Majesty’s Revenue and Customs shall complete a review of the operation of social investment tax relief.
- (2) The review shall consider in particular—
 - (a) the effects of changes made to this Part by Schedule 1 to the Finance (No. 2) Act 2017, and
 - (b) the effectiveness of the anti-abuse provision.
- (3) The Chancellor of the Exchequer shall lay a report of the review under this section before the House of Commons as soon as practicable after its completion.””

Schedule agreed to.

Clause 16 agreed to.

Schedule 2 agreed to.

Clause 17 agreed to.

Peter Dowd
Anneliese Dodds
Jeff Smith

Not called 21

Schedule 3, page 155, line 15, at end insert—

“CHAPTER 3

REVIEW OF CHAPTERS 1 AND 2

783BR Review of operation of this Part

- (1) Prior to 30 June 2020, the Commissioners for Her Majesty’s Revenue and Customs shall complete a review of the operation of the provisions of this Part.
- (2) The review shall consider in particular—
 - (a) the use and effects of full relief,
 - (b) the use and effects of partial relief,
 - (c) the use of relief in relation to trading income, and
 - (d) the use of relief in relation to property income.
- (3) The review shall compare the effects on the Exchequer in each of the first two years of its operation with the effects forecast by the Office for Budget Responsibility at the time of—
 - (a) the 2016 Budget, and

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- (b) the 2016 Autumn Statement.
- (4) The Chancellor of the Exchequer shall lay a report of the review under this section before the House of Commons as soon as practicable after its completion.”

Schedule agreed to.

Clause 18 agreed to.

Peter Dowd
Anneliese Dodds
Jeff Smith

Not called 22

Schedule 4, page 230, line 37, at end insert—

“188FAA Review of operation of this Part

- (1) Prior to 30 June 2020, the Commissioners for Her Majesty’s Revenue and Customs shall complete a review of the operation of the provisions of this Part.
- (2) The review shall consider in particular—
 - (a) the use and effects of reliefs under this Part,
 - (b) the effects on the Exchequer in each year of operation,
 - (c) a comparison of the amounts referred to in paragraph (b) and any official forecasts of those amounts prior to the introduction of this Part.
- (3) The Chancellor of the Exchequer shall lay a report of the review under this section before the House of Commons as soon as practicable after its completion.”

Peter Dowd
Anneliese Dodds
Jeff Smith

Not called 23

Schedule 4, page 247, line 2, at end insert—

- “55A(1) Prior to 30 June 2019, the Commissioners for Her Majesty’s Revenue and Customs shall complete a review in accordance with the provisions of this paragraph.
- (2) The review shall consider the changes made in—
 - (a) paragraphs 24 to 26 of this Schedule in relation to insurance companies,
 - (b) paragraphs 27 to 46 of this Schedule in relation to certain creative industries,
 - (c) paragraphs 47 to 55 of this Schedule in relation to oil activities.
 - (3) The review shall consider in particular and in relation to each of the sectors mentioned in sub-paragraph (2)—
 - (a) the use and effects of the changes made,
 - (b) the effects on the Exchequer in each year of operation,
 - (c) a comparison of the amounts referred to in paragraph (b) and any official forecasts of those amounts prior to the introduction of this Part, and
 - (d) any effects on the economic activities of companies and others in each of the sectors mentioned in sub-paragraph (2).

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- (4) The Chancellor of the Exchequer shall lay a report of the review under this paragraph before the House of Commons as soon as practicable after its completion.”

Schedule agreed to.

Clause 19 agreed to.

[Adjourned until Thursday at 11.30am]