



# House of Commons

Tuesday 31 October 2017

## CONSIDERATION OF BILL (REPORT STAGE)

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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, AS AMENDED

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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**This document includes all amendments tabled to date and includes any withdrawn amendments at the end.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 Finance Bill Programme (No.2) Motion to be moved by the Chancellor of the Exchequer.**

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*NEW CLAUSES, NEW SCHEDULES AND AMENDMENTS RELATING TO DEEMING INDIVIDUALS TO BE DOMICILED IN THE UNITED KINGDOM OR TO SETTLEMENTS WITH A SETTLOR DOMICILED OUTSIDE THE UNITED KINGDOM AT ANY TIME*

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

NC1

To move the following Clause—

**“Deemed domicile: review of protection of overseas trusts**

- (1) Within fifteen months of the passing of this Act, the Commissioners for Her Majesty’s Revenue and Customs shall complete a review about the operation of the provisions for the protection of overseas trusts in relation to deemed domicile.
- (2) The review shall in particular consider—
  - (a) the effects of those provisions on the Exchequer,
  - (b) the behavioural effects of those provisions, and
  - (c) the effects on the matters specified in paragraphs (a) and (b) if those provisions were repealed.

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**Finance Bill, *continued***

- (3) For the purposes of this section, “the provisions for the protection of overseas trusts” means the provisions inserted 18 to 38 and 40 of Schedule 8 to this Act.
- (4) The Chancellor of the Exchequer shall lay a report of the review under this section before the House of Commons within three months of its completion.”

***Member’s explanatory statement***

*This new clause requires a review to be undertaken of the effects of the provisions for protecting overseas trusts from the new provisions in relation to deemed domicile.*

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

Schedule 8, page 501, line 25, leave out paragraphs 18 to 40

***Member’s explanatory statement***

*This amendment would remove the exemption from the new provisions for deemed domicile in Clause 29 for overseas trusts.*

4

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

Schedule 8, page 501, line 28, leave out “D” and insert “E”

***Member’s explanatory statement***

*This amendment paves the way for Amendment 6.*

5

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

Schedule 8, page 502, line 14, at end insert—

- “(8A) Condition E is that the settlor registers the source of the property or income on a public register in a manner prescribed by regulations.
- (8B) The Treasury shall by regulations prescribe the manner for public registration of the source of property or income for the purposes of subsection (8A).
- (8C) A statutory instrument containing regulations under subsection (8B) 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 would require the beneficiary of an overseas trust to provide information about the sources of the property or income on a public register.*

6

Finance Bill, *continued*

Chancellor of the Exchequer

17

Schedule 8, page 521, line 18, leave out “or” and insert “and”

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*NEW CLAUSES, NEW SCHEDULES AND AMENDMENTS 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*

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

1

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

2

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

***Member’s explanatory statement***

*This amendment is consequential upon Amendment 1.*

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

3

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).*

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**Finance Bill, continued**

*NEW CLAUSES, NEW SCHEDULES AND AMENDMENTS RELATING TO DIGITAL REPORTING AND RECORD-KEEPING; REMAINING NEW CLAUSES, NEW SCHEDULES, AMENDMENTS TO REMAINING CLAUSES AND SCHEDULES AND REMAINING PROCEEDINGS ON CONSIDERATION*

*NEW CLAUSES, NEW SCHEDULES AND AMENDMENTS RELATING TO DIGITAL REPORTING AND RECORD-KEEPING*

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

Clause **60**, page **78**, line **19**, after “day”, insert “no earlier than 1 January 2022” 7

***Member’s explanatory statement***

*This amendment provides that the provisions for digital reporting in Clause 60 may not be brought into force before 2022.*

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

Clause **60**, page **78**, line **20**, at end insert— 8

“(4A) No regulations may be made under subsection (4) until 90 days after the Chancellor of the Exchequer has laid a report before the House of Commons which sets out—

- (a) the steps which HMRC has undertaken to establish that suitable software is available;
- (b) the results of the testing by HMRC and others of that software, and
- (c) the reasons why mandatory use of the software is in the interest of HMRC and taxpayers.”

***Member’s explanatory statement***

*This amendment would require the Chancellor of the Exchequer to report on software suitability and testing before giving effect to the provisions of Clause 60.*

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Finance Bill, *continued*

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

9

Clause 61, page 78, line 34, after “day” insert “no earlier than 1 January 2022”

***Member’s explanatory statement***

*This amendment provides that the provisions for digital reporting in Schedule 14 and Clause 61 may not be brought into force before 2022.*

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

10

Clause 62, page 79, line 12, at end insert—

“(5A) No regulations may be made under sub-paragraph (5) on a day prior to 1 January 2022.”

***Member’s explanatory statement***

*This amendment provides that the provisions for digital reporting in Clause 62 may not be brought into force before 2022.*

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

11

Clause 62, page 79, line 19, at end insert—

“(6A) Regulations under sub-paragraph (5) may not impose mandatory requirements for businesses to generate quarterly updates.”

***Member’s explanatory statement***

*This amendment provides that any system for quarterly updates to be generated must not be mandatory.*

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**Finance Bill, *continued***

*REMAINING NEW CLAUSES, NEW SCHEDULES AND AMENDMENTS TO REMAINING  
CLAUSES AND SCHEDULES; REMAINING PROCEEDINGS ON CONSIDERATION*

Stella Creasy  
Sir Peter Bottomley  
Ms Angela Eagle  
Mike Gapes  
Julie Elliott  
Ian Murray

Phil Wilson  
John Woodcock  
Vernon Coaker  
Liz Kendall  
Rachel Reeves  
Peter Kyle  
Mr Adrian Bailey

Alison McGovern  
Stephen Kinnock  
David Hanson  
Heidi Alexander  
Luciana Berger  
Ruth Smeeth  
Toby Perkins

Wes Streeting  
Angela Smith  
Gareth Snell  
Neil Coyle  
Ann Coffey  
Chuka Umunna

NC2

To move the following Clause—

**“Taxation of chargeable gains: review of treatment of commercial property held by persons with foreign domicile**

- (1) The Taxation of Chargeable Gains Act 1992 is amended as follows.
- (2) After section 14 (non-resident groups of companies), insert—

**“Review of treatment of commercial property held by persons with foreign domicile**

- (1) Within three months of the passing of the Finance (No. 2) Act 2017, the Commissioners for Her Majesty’s Revenue and Customs shall complete a review about the taxation of chargeable gains held by persons with foreign domicile.
- (2) The review shall consider in particular the implications if the treatment of commercial property were to be the same as the treatment of residential property under section 4BB(2).
- (3) The Chancellor of the Exchequer shall lay a report of the review under this section before the House of Commons within three months of its completion.””

***Member’s explanatory statement***

*This new clause requires a review to be undertaken of the treatment of capital gains on commercial property disposed of by UK taxpayers with a foreign domicile.*

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**Finance Bill, *continued***

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

NC3

To move the following Clause—

**“Income provided through third parties: review of effects generally and in relation to sports image rights**

- (1) The Chancellor of the Exchequer shall, no later than 21 July 2019, undertake a review of the effects of the changes made in relation to income provided through third parties.
- (2) The review under subsection (1) shall consider in particular the effects in relation to sports image rights.
- (3) The Chancellor of the Exchequer shall lay before the House of Commons a report of the review under this section no later than 15 October 2019.
- (4) In this section—

“the changes made in relation to income provided through third parties” means the provisions of sections 34 and 35 of and Schedule 11 to this Act,

“sports image rights” means the rights or purported rights, whether or not protected or capable of protection under any relevant laws, associated with the identity or activities of a person where those rights or purported rights are associated with their participation or former participation in a sport.”

***Member’s explanatory statement***

*This new clause requires the Chancellor of the Exchequer to carry out and publish a review of the effects of provisions for disguised remuneration in relation to income provided through third parties, including particularly the effects in relation to sports image rights.*

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

NC4

To move the following Clause—

**“Impact analyses of provisions of this Act**

- (1) The Chancellor of the Exchequer must review the impact of the provisions of this Act in accordance with this section and lay a report of that review before the House of Commons within six months of the passing of this Act.
- (2) A review under this section must consider—
  - (a) the impact of those provisions on households at different levels of income,
  - (b) the impact of those provisions on people with protected characteristics (within the meaning of the Equality Act 2010), and

**Finance Bill, *continued***

- (c) the impact of those provisions on different parts of the United Kingdom and different regions of England.
- (3) In this section—
  - “parts of the United Kingdom” means—
    - (a) England,
    - (b) Scotland,
    - (c) Wales, and
    - (d) Northern Ireland;
  - “regions of England” has the same meaning as that used by the Office for National Statistics.”

***Member’s explanatory statement***

*This new clause requires the Chancellor of the Exchequer to carry out and publish a review of the effects of the provisions of the Bill on households with different levels of income, people with protected characteristics and on a regional basis.*

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

NC5

To move the following Clause—

**“Review of the conditions of registration for third country goods fulfilment businesses and traders using their services**

- (1) Within six months of the passing of this Act, the Chancellor of the Exchequer shall complete a review of the conditions of registration for third country goods fulfilment businesses and the traders using their services.
- (2) The review shall consider in particular—
  - (a) an automatic joint and several liability for VAT between registered fulfilment businesses and the traders using their services, and
  - (b) a requirement that registered fulfilment businesses should charge VAT to customers on behalf of traders using their services.
- (3) The Chancellor of the Exchequer shall lay a report of the review under this section before the House of Commons within one month of its completion.”

***Member’s explanatory statement***

*This new clause requires a review to be undertaken of the conditions of registration for third country goods fulfilment businesses and the traders using their services.*

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Chancellor of the Exchequer

12

Schedule 2, page 121, line 40, leave out “on the last day of the tax year” and insert “at the end time”



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**Finance Bill, *continued***

- Chancellor of the Exchequer 13  
 Schedule 2, page 121, line 41, leave out “on that day” and insert “at the end time”
- Chancellor of the Exchequer 14  
 Schedule 2, page 122, leave out line 13 and insert “at the end time,”
- Chancellor of the Exchequer 15  
 Schedule 2, page 122, line 21, leave out from “if” to end of line 22 and insert “—  
 (a) it is involved in the property business at the end time, or  
 (b) although it is not involved in the business at the end time—  
     (i) it was last involved in the business at an earlier time  
         in the tax year, and  
     (ii) the person carrying on the business holds the property  
         throughout the period beginning with that earlier time  
         and ending with the end time.”
- Chancellor of the Exchequer 16  
 Schedule 2, page 122, line 32, at end insert—  
     “( ) The “end time” is—  
         (a) the time immediately before the end of the tax year, or  
         (b) if in the tax year the person carrying on the business  
             permanently ceases to carry it on, the time immediately before  
             the person permanently ceases to carry on the business.”
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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.

**Finance Bill, *continued***

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
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.

**FINANCE BILL PROGRAMME (NO.2) MOTION**

Chancellor of the Exchequer

That the Order of 12 September 2017 (Finance Bill (Programme)) be varied as follows—

1. Paragraphs (10) and (11) of the Order shall be omitted.
2. Proceedings on Consideration shall be taken in the order shown in the first column of the following Table.

**Finance Bill, *continued***

3. 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.

**TABLE**

<i>Proceedings</i>	<i>Time for conclusion of proceedings</i>
New Clauses, new Schedules and amendments relating to deeming individuals to be domiciled in the United Kingdom or to settlements with a settlor domiciled outside the United Kingdom at any time	3.00 pm on the day on which the proceedings are commenced
New Clauses, new Schedules and amendments 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	4.30 pm on that day
New Clauses, new Schedules and amendments relating to digital reporting and record-keeping; remaining new Clauses, new Schedules and amendments to Clauses and Schedules; remaining proceedings on Consideration	6.00 pm on that day

4. Any proceedings in legislative grand committee shall (so far as not previously concluded) be brought to a conclusion at 6.00 p.m. on the day on which proceedings on Consideration are commenced.
5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at 7.00 p.m. on the day on which proceedings on Consideration are commenced.