



SUPPLEMENT TO THE VOTES AND PROCEEDINGS

Wednesday 21 February 2018
REPORT STAGE PROCEEDINGS

FINANCE (NO. 2) BILL, AS AMENDED

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Withdrawn after debate: moved and debated but then withdrawn, so not put to a decision.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

*NEW CLAUSES, NEW SCHEDULES AND AMENDMENTS RELATING TO THE EFFECT OF
 THE BILL ON EQUALITY*

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

Negatived on division NC9

To move the following Clause—

“Equality impact analyses of certain provisions of this Act

- (1) The Chancellor of the Exchequer must review the equality impact of the provisions of this Act specified in subsection (3) 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.

Finance (No. 2) Bill, continued

- (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),
 - (c) the impact of those provisions on the Treasury’s compliance with the public sector equality duty under section 149 of the Equality Act 2010, and
 - (d) the impact of those provisions on equality in different parts of the United Kingdom and different regions of England.
- (3) The provisions specified in this subsection are—
- (a) income tax (in sections 1 and 3 to 6),
 - (b) employment (in sections 7 to 10),
 - (c) disguised remuneration (in sections 11 and 12 and Schedules 1 and 2),
 - (d) pension schemes (in section 13 and Schedule 3),
 - (e) settlements (in section 35 and Schedule 11),
 - (f) air passenger duty (in section 43),
 - (g) vehicle excise duty (in section 44), and
 - (h) tobacco products duty (in section 45).
- (4) 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.”

*NEW CLAUSES, NEW SCHEDULES AND AMENDMENTS RELATING TO THE BANK LEVY;
NEW CLAUSES, NEW SCHEDULES AND AMENDMENTS RELATING TO THE EFFECT OF
THE BILL ON TAX AVOIDANCE OR EVASION*

NEW CLAUSES, NEW SCHEDULES AND AMENDMENTS RELATING TO THE BANK LEVY

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

Negated on division NC3

To move the following Clause—

“Review of operation and effectiveness of bank levy

- (1) Schedule 19 to FA 2011 (bank levy) is amended as follows.

Finance (No. 2) Bill, continued

- (2) After paragraph 81, insert—

“PART 10

REVIEW

- 82 (1) Within six months of the passing of the Finance Act 2018, the Chancellor of the Exchequer shall undertake a review of the operation and effectiveness of the bank levy.
- (2) The review shall consider in particular—
- (a) the effectiveness of the levy in reflecting risks to the financial system and the wider UK economy arising from the banking sector,
 - (b) the effectiveness of the levy in encouraging banks to move away from riskier funding models,
 - (c) the revenue effects of the changes to the levy made in Schedule 2 to the Finance (No. 2) Act 2015,
 - (d) the effectiveness of the anti-avoidance provisions in paragraphs 47 and 48 of this Schedule.
- (3) A review shall also compare the effects of the bank levy with those of the bank payroll tax (within the meaning given by Schedule 2 to the Finance Act 2010) in relation to—
- (a) revenue, and
 - (b) the matters specified in sub-paragraph (2)(a) and (b).
- (4) A report of the review under this paragraph shall be laid before the House of Commons within one calendar month of its completion.””

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

Not called NC4

To move the following Clause—

“Public register of entities paying the bank levy and payments made

- (1) Schedule 19 to FA 2011 (bank levy) is amended as follows.
- (2) After paragraph 81, insert—

“PART 11

PUBLIC REGISTER OF PAYMENTS

- 83 (1) It shall be the duty of the Commissioners for Her Majesty’s Revenue and Customs to maintain a public register of groups paying the bank levy and the amounts paid.

Finance (No. 2) Bill, continued

- (2) In relation to each group, the register shall state whether it is—
 - (a) a UK banking group,
 - (b) a building society group,
 - (c) a foreign banking group, or
 - (d) a relevant non-banking group.
- (3) In relation to each group, the register shall state the amount paid in respect of each chargeable period.
- (4) In relation to chargeable periods ending between 28 February 2011 and 31 December 2017, the Commissioners must make public the register no later than 31 October 2018.
- (5) In respect of subsequent chargeable periods, the Commissioners must make public the updated register no later than ten months after the end of the chargeable period.””

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

Not called NC5

To move the following Clause—

“Bank levy: Part 1 of Schedule 9: pre-commencement requirements

- (1) Part 1 of Schedule 9 shall come into force in accordance with the provisions of this section.
 - (2) No later than 31 October 2020, the Chancellor of the Exchequer shall lay before the House of Commons an account of the effects of the proposed changes in Part 1 of Schedule 9—
 - (a) on the public revenue,
 - (b) in reflecting risks to the financial system and the wider UK economy arising from the banking sector, and
 - (c) in encouraging banks to move away from riskier funding models.
 - (3) Part 1 of Schedule 9 shall have effect in relation to chargeable periods ending on or after 1 January 2021 if, no earlier than 30 November 2020, the House of Commons comes to a resolution to that effect.”
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Finance (No. 2) Bill, *continued*

Stella Creasy
Wes Streeting
Norman Lamb
Mike Gapes
Lucy Powell
Gareth Snell

Jess Phillips
Ms Angela Eagle
Stephen Kinnock
Chris Bryant
Alison McGovern
Diana Johnson
Ruth Cadbury

Liz Saville Roberts
Dan Jarvis
Lillian Greenwood
Mrs Madeleine Moon
Kate Green
Christine Jardine
Clive Efford

Martin Whitfield
Darren Jones
Catherine West
Ruth George
Gareth Thomas
Chris Stephens
Stephen Doughty

Not called 1

Schedule 9, page 134, line 2, at end insert—
“34A After paragraph 81 insert—

“PART 10

REVIEW OF ENTITIES ON WHICH THE BANK LEVY IS CHARGED

- 82 (1) Within six months of the passing of the Finance Act 2018, the Chancellor of the Exchequer shall undertake a review of the provisions in this Schedule defining which groups are covered by the bank levy.
- (2) The review shall consider in particular—
- (i) the adequacy of those provisions in applying the bank levy to groups that are—
 - (a) not a group in paragraph 4(2) and
 - (b) derive their income from investments in the manner of a group in paragraph 4(2),
 - (ii) the adequacy of the groups in paragraph 4(2) in charging the bank levy to lending and investment entities,
 - (iii) the degree to which the groups in paragraph 4(2) reflect lending and investment entities that have entered into contracts with public sector bodies,
 - (iv) the adequacy of the definition of “investment group” in paragraph 12(9) in reflecting lending and investment entities that have entered into contracts with public sector bodies, and
 - (v) the revenue effects of changes to include lending and investment entities that have entered into contracts with public sector bodies within groups covered by the levy.
- (3) 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.”

 Finance (No. 2) Bill, *continued*

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

Not called 5

Schedule 9, page 134, line 6, leave out from “in” to end of line 7 and insert “accordance with the provisions of section (*bank levy: Part 1 of Schedule 9: pre-commencement requirements*)”.

Stella Creasy

Not called 2

Schedule 9, page 134, line 10, at end insert—
 “37 The amendments made by paragraph 34A have effect from the day on this Act is passed.”

NEW CLAUSES, NEW SCHEDULES AND AMENDMENTS RELATING TO THE EFFECT OF THE BILL ON TAX AVOIDANCE OR EVASION

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

Not called NC6

To move the following Clause—

“Analysis of effectiveness of provisions of this Act on tax avoidance and evasion

- (1) The Chancellor of the Exchequer must review the effectiveness 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 effects of the provisions in reducing levels of artificial tax avoidance,
 - (b) the effects of the provisions in combating tax evasion, and
 - (c) estimates of the role of the provisions of this Act in reducing the tax gap in each tax year from 2018 to 2022.”
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Finance (No. 2) Bill, *continued*

Stella Creasy
Wes Streeting
Norman Lamb
Mike Gapes
Lucy Powell
Gareth Snell

Jess Phillips
Hywel Williams
Ms Angela Eagle
Stephen Kinnock
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Alison McGovern
Diana Johnson
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Liz Saville Roberts
Jonathan Edwards
Dan Jarvis
Lillian Greenwood
Mrs Madeleine Moon
Kate Green
Christine Jardine
Clive Efford

Ben Lake
Martin Whitfield
Darren Jones
Catherine West
Ruth George
Gareth Thomas
Chris Stephens
Stephen Doughty
Negated on division 3

Schedule 8, page 103, line 41, at end insert—

“21A After section 461 (counter-acting effect of avoidance arrangements) insert—

“CHAPTER 11

REVIEW

461A Review

- (1) Within six months of the passing of the Finance Act 2018, the Chancellor of the Exchequer shall undertake a review of the effects of amending the operation of this Part in relation to the excess profits of PFI companies.
- (2) For the purposes of the review under this section, it shall be assumed that the operation of this Part would be amended so as to—
 - (a) deduct the uncompensated excess profit amount of PFI companies from the aggregate of the interest allowances of the group for periods before the current period so far as they are available in the current period for the purposes of calculating the interest capacity of a worldwide group under section 392 (the interest capacity of a worldwide group for a period of account),
 - (b) provide that, for groups that contain a PFI company, the uncompensated excess profit amount for a period is equal to the group excess profit amount less the aggregate amount by which the group’s taxable profit has been reduced in prior periods as a result of such provisions,
 - (c) provide that the group excess profit amount for any period will be the aggregate PFI excess profit amount for each PFI company in the group, and
 - (d) provide that the PFI excess profit amount for a PFI company for a period will be the amount by which the internal rate of return on shares and related party debt in that company (from inception to the end of the previous accounting period) exceeds the internal rate of return set in the relevant PFI contract or, if no such return was specified, 10%.
- (3) For the purposes of this section, “a PFI company” means a company which has entered into a contract with a public sector body under the Private Finance Initiative or the PF2 initiative.
- (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.”

 Finance (No. 2) Bill, *continued*

Stella Creasy

Not called 4

Schedule 8, page 105, line 17, at end insert—

“26A The amendments made by paragraph 21A have effect from the day on this Act is passed.”

NEW CLAUSES, NEW SCHEDULES AND AMENDMENTS RELATING TO STAMP DUTY LAND TAX; REMAINING NEW CLAUSES, NEW SCHEDULES AND AMENDMENTS TO CLAUSES AND SCHEDULES; REMAINING PROCEEDINGS ON CONSIDERATION

NEW CLAUSES, NEW SCHEDULES AND AMENDMENTS RELATING TO STAMP DUTY LAND TAX

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

Negatived on division NC7

To move the following Clause—

“Review of relief for first-time buyers

- (1) The Commissioners of Her Majesty’s Revenue and Customs shall undertake a review of the impact of the relief for first-time buyers introduced in Schedule 6ZA to FA 2003.
- (2) The review shall consider, in particular, the effects of the relief on—
 - (a) the public revenue,
 - (b) house prices, and
 - (c) the supply of housing.
- (3) The Chancellor of the Exchequer must lay a copy of a report of the review under this section before the House of Commons no later than one calendar week prior to the date which he has set for his Autumn 2018 Budget Statement.”

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

Not called NC8

To move the following Clause—

“Annual report on relief for first-time buyers

- (1) The Chancellor of the Exchequer must prepare and lay before the House of Commons a report for each relevant period on the operation of the relief for first-

Finance (No. 2) Bill, continued

time buyers introduced in Schedule 6ZA to FA 2003 not less than three months after the end of the relevant period.

- (2) The report shall include, in particular, information in respect of the relevant period on—
 - (a) the number of first-time buyers benefiting from the relief,
 - (b) the number of purchases benefiting from the relief,
 - (c) the average age of first-time buyers benefiting from the relief,
 - (d) the effects on the operation of the private rented sector,
 - (e) the effects on council housing and other social housing,
 - (f) the effects on the supply of affordable housing, and
 - (g) the effects on the operation of collective investment schemes under Part 17 of the Financial Services and Markets Act 2000.
- (3) For the purposes of this section, “relevant period” means—
 - (a) the period from 22 November 2017 to 5 April 2018,
 - (b) each period of 12 months beginning on 6 April during which the relief is in effect, and
 - (c) the period beginning on 6 April and ending with the day on which the relief ceases to have effect.”

REMAINING NEW CLAUSES, NEW SCHEDULES AND AMENDMENTS TO CLAUSES AND SCHEDULES

Charlie Elphicke
 Caroline Flint
 Mr Iain Duncan Smith
 Mr Alistair Carmichael
 Mr Jacob Rees-Mogg
 Mr Virenda Sharma

Mr Alister Jack
 Richard Drax
 Stephen Lloyd

Steve Double
 Craig Mackinlay
 Mr Bernard Jenkin

Kate Hoey
 Gavin Robinson
 Mr John Whittingdale
Not selected NCI

To move the following Clause—

“Gifts to referendum campaigns

- (1) Section 24 of IHTA 1984 (gifts to political parties) is amended as follows.
- (2) In subsection (1), after paragraph (a), insert—
 - “(b) are attributable to property which becomes the property of a referendum campaign qualifying for exemption under this section.”
- (3) After subsection (2), insert—
 - “(2A) A referendum campaign qualifies under this section if it was designated by the Electoral Commission as a permitted participant in a referendum within the meaning of—
 - (a) Part 7 of the Political Parties, Elections and Referendums Act 2000,
 - (b) paragraph 2 of Schedule 4 to the Scottish Independence Referendum Act 2014, or

Finance (No. 2) Bill, continued

- (c) Part 7 of the Act Political Parties, Elections and Referendums Act 2000 as modified in its application by Schedule 1 to the European Union Referendum Act 2015.”
- (4) The changes made by subsections (2) and (3) are to be regarded as always having had effect”.

Sir Vince Cable
Norman Lamb

Not called **NC2**

To move the following Clause—

“Review of income tax revenue

- (1) The Office for Budget Responsibility must review the revenue raised by the rates of income tax within six months of the passing of this Act.
- (2) A review under this section must consider revenue raised by the rates of income tax specified in sections 3 and 4.
- (3) A review under this section must also consider the effect on revenue of raising each of the rates of income tax specified in sections 3 and 4 by one percentage point.
- (4) The Chancellor of the Exchequer must lay before the House of Commons the report of the review under this section as soon as practicable after its completion.”

Kirsty Blackman
Ian Blackford
Alison Thewliss
Deidre Brock
Joanna Cherry
Patrick Grady

Stewart Hosie
Mhairi Black
Douglas Chapman
Martyn Day
Stephen Gethins
Drew Hendry
Angus Brendan MacNeil
John McNally
Brendan O’Hara
Dr Philippa Whitford

Neil Gray
Alan Brown
Ronnie Cowan
Martin Docherty-Hughes
Patricia Gibson
Chris Law
Stewart Malcolm McDonald
Carol Monaghan
Tommy Sheppard
Pete Wishart

Hannah Bardell
Dr Lisa Cameron
Angela Crawley
Marion Fellows
Peter Grant
David Linden
Stuart C. McDonald
Gavin Newlands
Chris Stephens

Negated on division **NC10**

To move the following Clause—

“Review of retrospective VAT refunds for the Scottish Fire and Rescue Service and the Scottish Police Authority

- (1) Within one month of this Act receiving Royal Assent, the Chancellor of the Exchequer shall commission a review of the potential consequences of allowing the Scottish Fire and Rescue Service and the Scottish Police Authority to claim

Finance (No. 2) Bill, continued

VAT refunds under section 33 of VATA 1994 retrospective to the date of their establishment.

- (2) The review shall consider—
 - (a) the administrative consequences of allowing retrospective claims, and
 - (b) the impact on revenue of allowing retrospective claims.
- (3) The Chancellor of the Exchequer shall lay the report of this review before the House of Commons within six months of this Act receiving Royal Assent.”

Ruth George

Not called NC11

To move the following Clause—

“Analysis of effect of income tax rates on incentives into employment

- (1) The Office for Budget Responsibility must review the impact of the rates of income tax specified in sections 3 and 4 in accordance with this section within six months of the passing of this Act.
- (2) A review under this section must consider the impact of the rates of income tax specified in sections 3 and 4 on the incentives for individuals to seek employment, including—
 - (a) whether those rates create, or detract from, an incentive for those not employed to enter into employment,
 - (b) whether those rates create, or detract from, an incentive for those currently in employment entering into new employment at a different level of income, and
 - (c) to what degree those rates create, or detract from, any such incentive.
- (3) A review under this section must also consider those rates in the context of—
 - (a) National Insurance contributions,
 - (b) tax credits, and
 - (c) social security benefits.
- (4) A review under this section must give separate analyses in relation to the impact of the rates of income tax specified in sections 3 and 4 in different parts of the United Kingdom.
- (5) In this section—

“parts of the United Kingdom” means—

 - (a) England,
 - (b) Scotland,
 - (c) Wales, and
 - (d) Northern Ireland.
- (6) The Chancellor of the Exchequer must lay before the House of Commons the report of the review under this section as soon as practicable after its completion.”

The Chancellor of the Exchequer

Agreed to 6

Clause 9, page 4, line 30, leave out from beginning to end of line 32 and insert “it does not meet the Euro 6d emissions standard.”

Finance (No. 2) Bill, *continued*

The Chancellor of the Exchequer

Agreed to 7

Clause 9, page 4, line 38, leave out from “(2A)” to end of line 6 on page 5 and insert—

“ A vehicle meets the Euro 6d emissions standard only if it is first registered on the basis of an EC certificate of conformity which indicates that the exhaust emission level is Euro 6d (and it does not meet that standard if it is first registered on the basis of an EC certificate of conformity which indicates that that level is Euro 6d-TEMP).”

The Chancellor of the Exchequer

Agreed to 8

Clause 44, page 38, line 17, leave out from beginning to end of line 28 and insert “it does not meet the Euro 6d emissions standard.

(5) A vehicle meets the Euro 6d emissions standard only if it is first registered on the basis of an EU certificate of conformity which indicates that the exhaust emission level is Euro 6d (and it does not meet that standard if it is first registered on the basis of an EU certificate of conformity which indicates that that level is Euro 6d-TEMP).”

Wes Streeting
Daniel Zeichner
Naz Shah
Sarah Champion
Joan Ryan
Ruth Smeeth

Caroline Lucas
Peter Kyle
Mr Ben Bradshaw
Mr Barry Sheerman
Mike Gapes
Stella Creasy
Rushanara Ali

Mohammad Yasin
Ruth Cadbury
Julie Elliott
Heidi Alexander
Neil Coyle
Gareth Thomas
Jon Cruddas

Jo Stevens
Gill Furniss
Rachel Reeves
Toby Perkins
Stephen Doughty
Andrew Rosindell
Zac Goldsmith

Negatived on division 10

Clause 44, page 38, line 30, at end insert—

“(4A) In paragraph 1GE (higher rates of duty) after paragraph (3)(c) insert—

“(d) the vehicle is not a taxi.

(3A) For the purposes of this paragraph, “taxi” has the same meaning as in section 64 of the Transport Act 1980.””

Finance (No. 2) Bill, continued

Wes Streeting
Daniel Zeichner
Naz Shah
Sarah Champion
Joan Ryan
Ruth Smeeth

Caroline Lucas
Peter Kyle
Mr Ben Bradshaw
Mr Barry Sheerman
Mike Gapes
Stella Creasy
Rushanara Ali

Mohammad Yasin
Ruth Cadbury
Julie Elliott
Heidi Alexander
Neil Coyle
Gareth Thomas
Jon Cruddas

Jo Stevens
Gill Furniss
Rachel Reeves
Toby Perkins
Stephen Doughty
Andrew Rosindell
Zac Goldsmith

Not called **11**

Clause **44**, page **39**, line **1**, after “section”, insert “(other than those made by subsection (4A))”.

Wes Streeting
Daniel Zeichner
Naz Shah
Sarah Champion
Joan Ryan
Ruth Smeeth

Caroline Lucas
Peter Kyle
Mr Ben Bradshaw
Mr Barry Sheerman
Mike Gapes
Stella Creasy
Rushanara Ali

Mohammad Yasin
Ruth Cadbury
Julie Elliott
Heidi Alexander
Neil Coyle
Gareth Thomas
Jon Cruddas

Jo Stevens
Gill Furniss
Rachel Reeves
Toby Perkins
Stephen Doughty
Andrew Rosindell
Zac Goldsmith

Not called **12**

Clause **44**, page **39**, line **2**, at end insert—

“(8) The amendments made by subsection (4A) have effect in relation to licences taken out on or after the day on which this Act is passed.”

Mr Alistair Carmichael

Not called **13**

Schedule **3**, page **65**, line **32**, leave out from “and” to “or” in line 36 and insert “each of the conditions in subsection (1A) is met”

Mr Alistair Carmichael

Not called **14**

Schedule **3**, page **65**, line **37**, at end insert—

“(4A) In section 158 (grounds for de-registration), after subsection (1), insert—

“(1A) The conditions in this subsection are that—

- (a) the scheme was registered in the current tax year or in the six preceding tax years,

Finance (No. 2) Bill, *continued*

- (b) no sponsoring employer in relation to the scheme is a body corporate that is actively trading at the time that withdrawal is being considered, and
- (c) no sponsoring employer in relation to the scheme is a body corporate that was actively trading for a period of at least twenty four months.””

The Chancellor of the Exchequer

Schedule 3, page 67, line 2, leave out “(1)” and insert “(1)(a)”

Agreed to 9

Bill read the third time on division, and passed.
