



# House of Commons

## NOTICES OF AMENDMENTS

given up to and including

**Friday 2 February 2018**

*New Amendments handed in are marked thus ★*

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

*Amendments tabled since the last publication: 1 to 4*

### CONSIDERATION OF BILL (REPORT STAGE)

### FINANCE (No. 2) BILL, AS AMENDED

#### NOTE

**This document includes all amendments tabled to date and includes any withdrawn amendments at the end. The amendments have been arranged in the order in which they relate to the Bill.**

Charlie Elphicke  
 Caroline Flint  
 Mr Iain Duncan Smith  
 Mr Alistair Carmichael  
 Alison McGovern  
 Mr Jacob Rees-Mogg

Mr Virenda Sharma  
 Kate Hoey  
 Gavin Robinson  
 Mr John Whittingdale

Mr Alister Jack  
 Richard Drax  
 Stephen Lloyd

Steve Double  
 Craig Mackinlay  
 Mr Bernard Jenkin

NC1

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—

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**Finance (No. 2) Bill, continued**

- “(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
  - (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”.

**Member's explanatory statement**

*This new clause extends the exemption from inheritance tax for gifts to political parties to gifts to referendum campaigns operating under the framework of the Political Parties, Elections and Referendums Act 2000 (including the AV referendum) or the provisions of that referendum as modified (including for the Scottish independence referendum and for the EU referendum).*

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Sir Vince Cable  
Norman Lamb

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.”

**Member's explanatory statement**

*This new clause provides for a review of the revenue raised at the rates of income tax specified by Clauses 3 and 4 of the Bill and the effect on revenue of raising each of those rates by one percentage point.*

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Finance (No. 2) Bill, *continued*

Stella Creasy

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.”

***Member’s explanatory statement***

*This amendment requires a review about the effects of making provision to discount the excess profits of a PFI company for the purpose of calculating the aggregate of the interest allowance of worldwide groups in the provisions of Part 10 of the Taxation (International and Other Provisions) Act 2010.*

Stella Creasy

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.”

***Member’s explanatory statement***

*This amendment is consequential on Amendment 3.*

**Finance (No. 2) Bill, continued**

Stella Creasy

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.”

***Member’s explanatory statement***

*This amendment requires a review about the appropriate extent of the bank levy in terms of the lending and investment entities which it covers, considering the extent to which it covers PFI finance groups and assessing the revenue effects of such an extension.*

Stella Creasy

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.”

***Member’s explanatory statement***

*This amendment is consequential on Amendment 1.*

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ORDER OF THE HOUSE [11 DECEMBER 2017]

That the following provisions shall apply to the Finance (No. 2) Bill:

*Committal*

1. The following shall be committed to a Committee of the whole House—  
(a) Clause 8 (exemption for armed forces’ accommodation allowances);

**Finance (No. 2) Bill, *continued***

- (b) Clause 33 and Schedule 9 (the bank levy);
  - (c) Clauses 40 and 41 and Schedule 11 (stamp duty land tax);
  - (d) New Clauses or new Schedules relating to—
    - (i) The income tax treatment of armed forces' accommodation allowances,
    - (ii) The bank levy,
    - (iii) Stamp duty land tax,
    - (iv) The effect of the Bill on equality, or
    - (v) The effect of the Bill on tax avoidance or evasion.
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 two days.
- 4. Those proceedings shall be taken on each of those days 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>
<i>First day</i>	
Clause 33, Schedule 9, new Clauses and new Schedules relating to the bank levy	3 hours from commencement of proceedings on the Bill on the first day
Clause 40, Schedule 11, Clause 41, Clause 8, new Clauses and Schedules relating to stamp duty land tax, new Clauses and Schedules relating to the income tax treatment of armed forces' accommodation allowances	6 hours from commencement of proceedings on the Bill on the first day
<i>Second day</i>	
New Clauses and new Schedules relating to the effect of the Bill on equality	3 hours from commencement of proceedings on the Bill on the second day
New Clauses and new Schedules relating to the effect of the Bill on tax avoidance or evasion	6 hours from commencement of proceedings on the Bill on the second day

*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 Thursday 18 January 2018.
- 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

**Finance (No. 2) Bill, *continued***

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 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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