



# House of Commons

## NOTICES OF AMENDMENTS

given up to and including

**Wednesday 24 June 2020**

*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: 16 and 17, NC19 to NC25 and NS1*

### CONSIDERATION OF BILL (REPORT STAGE)

### FINANCE 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**This document includes all amendments tabled to date and includes any withdrawn amendments at the end.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.**

The Chancellor of the Exchequer

NC19

★ To move the following Clause—

**“Taxation of coronavirus support payments**

- (1) Schedule (*Taxation of coronavirus support payments*) makes provision about the taxation of coronavirus support payments.
- (2) In this section, and in that Schedule, “coronavirus support payment” means a payment made (whether before or after the passing of this Act) under any of the following schemes—
  - (a) the coronavirus job retention scheme;
  - (b) the self-employment income support scheme;
  - (c) any other scheme that is the subject of a direction given under section 76 of the Coronavirus Act 2020 (functions of Her Majesty’s Revenue and Customs in relation to coronavirus or coronavirus disease);
  - (d) the coronavirus statutory sick pay rebate scheme;
  - (e) a coronavirus business support grant scheme;

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**Finance Bill, continued**

- (f) any scheme specified or described in regulations made under this section by the Treasury.
- (3) The Treasury may by regulations make provision about the application of Schedule (*Taxation of coronavirus support payments*) to a scheme falling within subsection (2)(c) to (f) (including provision modifying paragraph 8 of that Schedule so that it applies to payments made under a coronavirus business support grant scheme).
- (4) Regulations under this section may make provision about coronavirus support payments made before (as well as after) the making of the regulations.
- (5) In this section, and in that Schedule—
  - “coronavirus” and “coronavirus disease” have the meaning they have in the Coronavirus Act 2020 (see section 1 of that Act);
  - “coronavirus business support grant scheme” means any scheme (whether announced or operating before or after the passing of this Act), other than a scheme within subsection (2)(a) to (d), under which a public authority makes grants to businesses with the object of providing support to those businesses in connection with any effect or anticipated effect (direct or indirect) of coronavirus or coronavirus disease;
  - “the coronavirus job retention scheme” means the scheme (as it has effect from time to time) that is the subject of the direction given by the Treasury on 15 April 2020 under section 76 of the Coronavirus Act 2020;
  - “the coronavirus statutory sick pay rebate scheme” means the scheme (as it has effect from time to time) given effect to by the Statutory Sick Pay (Coronavirus) (Funding of Employers’ Liabilities) Regulations 2020 (S.I. 2020/512);
  - “employment-related scheme” means the coronavirus job retention scheme or the coronavirus statutory sick pay rebate scheme;
  - “the self-employment income support scheme” means the scheme (as it has effect from time to time) that is the subject of the direction given by the Treasury on 30 April 2020 under section 76 of the Coronavirus Act 2020.
- (6) Examples of coronavirus business support grant schemes as at 24 June 2020 include—
  - (a) the small business grant fund that is the subject of the guidance about that scheme and the retail, hospitality and leisure grant fund published by the Department for Business, Energy & Industrial Strategy on 1 April 2020;
  - (b) the retail, hospitality and leisure grant fund that is the subject of that guidance;
  - (c) the local authority discretionary grants fund that is the subject of the guidance about that scheme published by the Department for Business, Energy & Industrial Strategy on 13 May 2020;
  - (d) the schemes corresponding to the small business grant fund, retail and hospitality grant fund and local authority discretionary grants fund in Scotland, Wales and Northern Ireland.”

**Member’s explanatory statement**

*This new clause introduces Schedule (Taxation of coronavirus support payments) and provides for definitions of the various coronavirus related support schemes to which it applies. It also allows for secondary legislation to specify further schemes to which the Schedule will apply, as well as to modify the effect of the Schedule in relation to particular schemes.*

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Finance Bill, *continued*

The Chancellor of the Exchequer

NC20

★ To move the following Clause—

**“Protected pension age of members re-employed as a result of coronavirus**

- (1) In FA 2004, in Schedule 36 (pension schemes etc), paragraph 22 (rights to take benefit before normal minimum pension age) is amended as follows.
- (2) In sub-paragraph (7F), at the end of paragraph (b) insert “, and
  - (c) that the member is or was employed as mentioned in sub-paragraph (7B)(a) where—
    - (i) the employment began at any time during the coronavirus period, and
    - (ii) the only or main reason that the member was taken into employment was to help the employer to respond to the public health, social, economic or other effects of coronavirus.”
- (3) After sub-paragraph (7J) insert—
 

“(7K) In sub-paragraph (7F)(c)—  
 “coronavirus” has the same meaning as in the Coronavirus Act 2020 (see section 1(1) of that Act);  
 “the coronavirus period” means the period beginning with 1 March 2020 and ending with 1 November 2020.

(7L) The Treasury may by regulations amend the definition of “the coronavirus period” in sub-paragraph (7K) so as to replace the later of the dates specified in it with another date falling before 6 April 2021.

(7M) The power in sub-paragraph (7L) may be exercised on more than one occasion.”
- (4) The amendments made by this section are treated as having come into force on 1 March 2020.”

***Member’s explanatory statement***

*In certain circumstances, people who have a protected pension age under a pension scheme (i.e. a right to receive pension benefits at an age below the normal minimum pension age) can lose it on being re-employed. This new clause prevents that happening for people re-employed as part of the response to coronavirus.*

The Chancellor of the Exchequer

NC21

★ To move the following Clause—

**“Modifications of the statutory residence test in connection with coronavirus**

- (1) This section applies for the purposes of determining—
  - (a) whether an individual was or was not resident in the United Kingdom for the tax year 2019-20 for the purposes of relevant tax, and
  - (b) if an individual was not so resident in the United Kingdom for the tax year 2019-20 (including as a result of this section), whether the individual was or was not resident in the United Kingdom for the tax year 2020-21 for the purposes of relevant tax.

**Finance Bill, *continued***

“Relevant tax” has the meaning given by paragraph 1(4) of Schedule 45 to FA 2013 (statutory residence test).

- (2) That Schedule is modified in accordance with subsections (3) to (13).
- (3) Paragraph 8 (second automatic UK test: days at overseas homes) has effect as if after sub-paragraph (5) there were inserted—

“(5A) For the purposes of sub-paragraphs (1)(b) and (4), a day does not count as a day when P is present at a home of P’s in the UK if it is a day that would fall within the third case in paragraph 22(7) (if P were present in the UK at the end of it).”

- (4) Paragraph 22 (key concepts: days spent) has effect as if—
  - (a) in sub-paragraph (2), for “two cases” there were substituted “three cases”;
  - (b) after sub-paragraph (6) there were inserted—

“(7) The third case is where—

- (a) that day falls within the period beginning with 1 March 2020 and ending with 1 June 2020,
- (b) on that day P is present in the UK for an applicable reason related to coronavirus disease, and
- (c) in the tax year in question, P is resident in a territory outside the UK (“the overseas territory”).

- (8) The following are applicable reasons related to coronavirus disease—

- (a) that P is present in the UK as a medical or healthcare professional for purposes connected with the detection, treatment or prevention of coronavirus disease;
- (b) that P is present in the UK for purposes connected with the development or production of medicinal products (including vaccines), devices, equipment or facilities related to the detection, treatment or prevention of coronavirus disease.

- (9) For the purposes of paragraph (7)(c), P is resident in an overseas territory in the tax year in question if P is considered for tax purposes to be a resident of that territory in accordance with the laws of that territory.

- (10) The Treasury may by regulations made by statutory instrument—

- (a) amend sub-paragraph (7)(a) so as to replace the later of the dates specified in it with another date falling before 6 April 2021;
- (b) amend this paragraph so as to add one or more applicable reasons related to coronavirus disease.

- (11) The powers under sub-paragraph (10) may be exercised on more than one occasion.

- (12) A statutory instrument containing regulations under sub-paragraph (10) is subject to annulment in pursuance of a resolution of the House of Commons.”

**Finance Bill, *continued***

- (5) Paragraph 23 (key concepts: days spent and the deeming rule) has effect as if after sub-paragraph (5) there were inserted—
- “(5A) For the purposes of sub-paragraph (3)(b) and (4), a day does not count as a qualifying day if it is a day that would fall within the third case in paragraph 22(7) (if P were present in the UK at the end of it).”
- (6) Paragraph 28(2) (rules for calculating the reference period) has effect as if—
- (a) in paragraph (b) the “and” at the end were omitted;
- (b) after paragraph (b) there were inserted—
- “(ba) absences from work at times during the period specified in an emergency volunteering certificate issued to P under Schedule 7 to the Coronavirus Act 2020 (emergency volunteering leave), and”;
- (c) in paragraph (c), for “or (b)” there were substituted “, (b) or (ba)”.
- (7) Paragraph 29 (significant breaks from UK or overseas work) has effect as if in sub-paragraphs (1)(b) and (2)(b), for “or parenting leave” there were substituted “, parenting leave or emergency volunteering leave under Schedule 7 to the Coronavirus Act 2020”.
- (8) Paragraph 32 (family tie) has effect as if after sub-paragraph (4) there were inserted—
- “(4A) But a day does not count as a day on which P sees the child if the day on which P sees the child would be a day falling within the third case in paragraph 22(7) (if P were present in the UK at the end of it).”
- (9) Paragraph 34 (accommodation tie) has effect as if after sub-paragraph (1) there were inserted—
- “(1A) For the purposes of sub-paragraph (1)—
- (a) if the place is available to P on a day that would fall within the third case in paragraph 22(7) (if P were present in the UK at the end of that day), that day is to be disregarded for the purposes of sub-paragraph (b), and
- (b) a night spent by P at the place immediately before or after a day that would fall within the third case in paragraph 22(7) (if P were present in the UK at the end of that day) is to be disregarded for the purposes of sub-paragraph (c).”
- (10) Paragraph 35 (work tie) has effect as if after sub-paragraph (2) there were inserted—
- “(3) But a day that would fall within the third case in paragraph 22(7) (if P were present in the UK at the end of it) does not count as a day on which P works in the UK.”
- (11) Paragraph 37 (90-day tie) has effect as if—
- (a) the existing text were sub-paragraph (1);
- (b) after that sub-paragraph, there were inserted—
- “(2) For the purposes of sub-paragraph (1), a day that would fall within the third case in paragraph 22(7) (if P were present in the UK at the end of it) does not count as a day P has spent in the UK in the year in question.”
- (12) Paragraph 38 (country tie) has effect as if after sub-paragraph (3) there were inserted—
- “(4) For the purposes of sub-paragraph (3), P is to be treated as not being present in the UK at the end of a day that would fall within the third

**Finance Bill, continued**

case in paragraph 22(7) (if P were present in the UK at the end of that day).”

- (13) Paragraph 145 (interpretation) has effect as if at the appropriate place there were inserted—

““coronavirus disease” has the same meaning as in the Coronavirus Act 2020 (see section 1(1) of that Act);”.

**Member’s explanatory statement**

*This new clause modifies the statutory residence test in Schedule 45 to the Finance Act 2013 so that the presence of certain individuals in the UK for purposes connected with coronavirus is discounted for the purposes of determining whether they are resident in the UK in the tax years 2019-20 and 2020-21.*

The Chancellor of the Exchequer

NC22

- ★ To move the following Clause—

**“Future Fund: EIS and SEIS relief**

- (1) This section applies if an individual to whom shares in a company have been issued—
- (a) enters into a convertible loan agreement with the company under the Future Fund on or after 20 May 2020, and
  - (b) subsequently receives value from the company under the terms of the agreement.
- (2) If, as a result of the receipt of value, any EIS relief attributable to shares issued before the relevant time would (apart from this subsection) be withdrawn or reduced under section 213 of ITA 2007, the value received is to be ignored for the purposes of that section.
- (3) If, as a result of the receipt of value, any SEIS relief attributable to shares issued before the relevant time would (apart from this subsection) be withdrawn or reduced under section 257FE of ITA 2007, the value received is to be ignored for the purposes of that section.
- (4) If, as a result of the receipt of value, shares issued before the relevant time would (apart from this subsection) cease to be eligible shares by reason of paragraph 13(1)(b) of Schedule 5B to TCGA 1992, the value received is to be ignored for the purposes of that paragraph.
- (5) In this section—
- “the Future Fund” means the scheme of that name operated from 20 May 2020 by the British Business Bank plc on behalf of the Secretary of State;
- “the relevant time” means the time when the individual enters into the convertible loan agreement.”

**Member’s explanatory statement**

*This new clause prevents EIS and SEIS relief from being withdrawn or reduced for the purposes of income tax and capital gains tax in cases where an individual enters into a convertible loan agreement under the Future Fund with a company and subsequently receives value from the company under the agreement.*

**Finance Bill, continued**

The Chancellor of the Exchequer

NC23

★ To move the following Clause—

**“Interest on unpaid tax in case of disaster etc of national significance**

- (1) Section 135 of FA 2008 (interest on unpaid tax in case of disaster etc of national significance) is amended as follows.
- (2) In subsection (2), for the words from “arising” to the end substitute “that—
  - (d) arises under or by virtue of an enactment or a contract settlement, and
  - (e) is of a description (if any) specified in the order.”
- (3) In subsection (4)—
  - (a) after “relief period” insert “, in relation to a deferred amount,”;
  - (b) in paragraph (b), after “revoked” insert “or amended so that it ceases to have effect in relation to the deferred amount”.
- (4) In subsection (10)—
  - (a) at the end of paragraph (a), omit “and”;
  - (b) at the end of paragraph (b) insert “, and
  - (c) may specify different dates in relation to liabilities of different descriptions.”
- (5) The amendments made by this section have effect from 20 March 2020.”

***Member’s explanatory statement***

*This new clause amends section 135 of the Finance Act 2008 to enable the Treasury to specify in an order under that section which payments of tax and other liabilities that are deferred by agreement during a period of national disaster or emergency will not attract interest or surcharges.*

The Chancellor of the Exchequer

NC24

★ To move the following Clause—

**“Exceptional circumstances preventing disposal of interest in three year period**

- (1) In FA 2003, Schedule 4ZA (stamp duty land tax: higher rates for additional dwellings etc) is amended as follows.
- (2) In paragraph 3 (single dwelling transactions)—
  - (a) in sub-paragraph (7)(b) for “the period of three years beginning with the day after the effective date of the transaction concerned” substitute “a permitted period”;
  - (b) after sub-paragraph (7) insert—
 

“(7A) For the purposes of sub-paragraph (7)(b), the permitted periods are—

    - (a) the period of three years beginning with the day after the effective date of the transaction concerned, or
    - (b) if HMRC are satisfied that the purchaser or the purchaser’s spouse or civil partner would have disposed of the major interest in the sold dwelling

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within that three year period but was prevented from doing so by exceptional circumstances that could not reasonably have been foreseen, such longer period as HMRC may allow in response to an application made in accordance with sub-paragraph (7B).

(7B) An application for the purposes of sub-paragraph (7A)(b) must—

- (a) be made within the period of 12 months beginning with the effective date of the transaction disposing of the major interest in the sold dwelling, and
- (b) be made in such form and manner, and contain such information, as may be specified by HMRC.

(7C) Schedule 11A (claims not included in returns) does not apply in relation to an application made in accordance with sub-paragraph (7B).”

- (3) In paragraph 8 (further provision in connection with paragraph 3(6) and (7))—
  - (a) in sub-paragraph (3), after “paragraph 3(7)” insert “by virtue of paragraph 3(7A)(a)”;
  - (b) in sub-paragraph (4), after “paragraph 3(7)” insert “by virtue of paragraph 3(7A)(a)”;
  - (c) after sub-paragraph (4) insert—

“(5) Where HMRC grant an application made in accordance with paragraph 3(7B)—

- (a) the land transaction return in respect of the transaction concerned is treated as having been amended to take account of the application of paragraph 3(7) by virtue of paragraph 3(7A)(b), and
- (b) HMRC must notify the purchaser accordingly.”

- (4) The amendments made by this section have effect in a case where the effective date of the transaction concerned is on or after 1 January 2017.”

**Member’s explanatory statement**

*This new clause amends Schedule 4ZA to the Finance Act 2003 to provide that where a person purchases a dwelling intending it to be their only or main residence, the three-year period within which a major interest in the previous dwelling must be disposed of to be able to obtain a refund of the higher rate stamp duty land tax may be extended to a longer period if, because of exceptional circumstances, the interest was not disposed of in that three-year period.*

The Chancellor of the Exchequer

NC25

★ To move the following Clause—

**“HGV road user levy**

- (1) Section 5(2) of the HGV Road User Levy Act 2013 (HGV road user levy charged for all periods for which a UK heavy goods vehicle is charged to vehicle excise duty) does not apply where the period for which a UK heavy goods vehicle is charged to vehicle excise duty is a period that begins in the exempt period.
- (2) Section 6(2) of the 2013 Act (HGV road user levy charged in respect of non-UK heavy goods vehicle for each day on which the vehicle is used or kept on a road

**Finance Bill, continued**

to which the Act applies) does not apply in respect of any day in the exempt period.

- (3) The exempt period is the period of 12 months beginning with 1 August 2020.
- (4) Section 7 of the 2013 Act (rebate of levy) has effect as if, after subsection (2A), there were inserted—

“(2B) A rebate entitlement also arises where HGV road user levy has been paid in respect of a non-UK heavy goods vehicle in accordance with section 6(2) in respect of any part of the exempt period within the meaning of section (HGV road user levy)(3) of the Finance Act 2020.””

**Member’s explanatory statement**

*This new clause provides that HGV road user levy is not chargeable in respect of the period of 12 months beginning with 1 August 2020. It provides that where the levy has been paid in respect of a non-UK heavy goods vehicle in respect of the exempt period a rebate can be claimed (no equivalent provision being required for UK heavy goods vehicles which will benefit from the exemption in respect of any period for which the levy would otherwise be paid that begins during the exempt period).*

Alison Thewliss  
 Ian Blackford  
 Kirsty Blackman  
 Stephen Flynn  
 Peter Grant  
 Patrick Grady

NC1

To move the following Clause—

**“Loan charge: report on effect of the scheme**

- (1) The Chancellor of the Exchequer must commission a review, to be carried out by an independent panel, of the impact in parts of the United Kingdom and regions of England of the scheme established under sections 19 and 20 and lay the 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 the effects of the provisions on—
  - (a) business investment,
  - (b) employment,
  - (c) productivity, and
  - (d) company solvency.
- (3) A review under this section must consider the fairness with which HMRC has implemented the policy, including whether HMRC has provided reasonable flexibility around repayment plans with the aim of avoiding business failures and individual bankruptcies.

In this section “parts of the United Kingdom” means—

- (a) England,
- (b) Scotland,
- (c) Wales, and
- (d) Northern Ireland;

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**Finance Bill, *continued***

and “regions of England” has the same meaning as that used by the Office for National Statistics.”

***Member’s explanatory statement***

*This new clause would require a review of the impact of the scheme to be established under Clauses 19 and 20.*

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Alison Thewliss  
 Ian Blackford  
 Kirsty Blackman  
 Stephen Flynn  
 Peter Grant  
 Patrick Grady

NC2

To move the following Clause—

**“Review of changes to entrepreneurs’ relief**

- (1) The Chancellor of the Exchequer must review the impact on investment in parts of the United Kingdom and regions of England of the changes made to entrepreneur’s relief by section 22 and Schedule 2 of this Act 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 the effects of the provisions on—
  - (a) business investment,
  - (b) employment, and
  - (c) productivity.
- (3) In this section—
 

“parts of the United Kingdom” means—

  - (a) England,
  - (b) Scotland,
  - (c) Wales, and
  - (d) Northern Ireland;

and “regions of England” has the same meaning as that used by the Office for National Statistics.”

***Member’s explanatory statement***

*This new clause would require a review of the impact on investment of the changes made to entrepreneurs’ relief.*

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Finance Bill, *continued*

Alison Thewliss  
 Ian Blackford  
 Kirsty Blackman  
 Stephen Flynn  
 Peter Grant  
 Patrick Grady

NC3

To move the following Clause—

**“Review of changes to capital allowances**

- (1) The Chancellor of the Exchequer must review the effect of the changes to chargeable gains with respect to corporate capital losses in this Act in each part of the United Kingdom and each region of England and lay a report of that review before the House of Commons within two months of the passing of this Act.
- (2) A review under this section must consider the effects of the changes on—
  - (a) business investment
  - (b) employment, and
  - (c) productivity.
- (3) A review under this section must consider the effects in the current and each of the subsequent four financial years.
- (4) The review must also estimate the effects on the changes in the event of each of the following—
  - (a) the UK leaves the EU withdrawal transition period without a negotiated comprehensive free trade agreement,
  - (b) the UK leaves the EU withdrawal transition period with a negotiated agreement, and remains in the single market and customs union, or
  - (c) the UK leaves the EU withdrawal transition period with a negotiated comprehensive free trade agreement, and does not remain in the single market and customs union.
- (5) The review must also estimate the effects on the changes if the UK signs a free trade agreement with the United States.
- (6) In this section—
 

“parts of the United Kingdom” means—

  - (a) England,
  - (b) Scotland,
  - (c) Wales, and
  - (d) Northern Ireland;

and “regions of England” has the same meaning as that used by the Office for National Statistics.”

***Member’s explanatory statement***

*This new clause requires a review of the impact on investment, employment and productivity of the changes to chargeable gains with respect to corporate capital losses over time; in the event of a free trade agreement with the USA; and in the event of leaving the EU without a trade agreement, with an agreement to retain single market and customs union membership, or with a trade agreement that does not include single market and customs union membership.*

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**Finance Bill, *continued***

Alison Thewliss  
 Ian Blackford  
 Kirsty Blackman  
 Stephen Flynn  
 Peter Grant  
 Patrick Grady

NC4

To move the following Clause—

**“Structures and buildings allowances: review**

- (1) The Chancellor of the Exchequer must review the impact on investment in parts of the United Kingdom and regions of England of the changes made by section 29 and Schedule 4 of this Act 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 the effects of the provisions on—
  - (a) business investment,
  - (b) employment,
  - (c) productivity, and
  - (d) energy efficiency.
- (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 would require a review of the impact on investment of the changes made to structures and buildings allowances in Schedule 4.*

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Alison Thewliss  
 Ian Blackford  
 Kirsty Blackman  
 Stephen Flynn  
 Peter Grant  
 Patrick Grady

NC5

To move the following Clause—

**“Digital Services Tax: review of effect on tax revenues**

- (1) The Chancellor of the Exchequer must make an assessment of the net effect on tax revenues of the introduction of the Digital Services Tax and lay a report of that assessment before the House of Commons within six months of the passing of this Act.

**Finance Bill, continued**

- (2) This review must also include an assessment of the revenue effect of the Digital Services Tax on tax payable by the owners and employees of Scottish Limited Partnerships.”

**Member’s explanatory statement**

*This new clause would require a Government assessment of the effect on tax revenues of the DST, and in particular the change in revenues associated with Scottish Limited Partnerships.*

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Alison Thewliss  
 Ian Blackford  
 Kirsty Blackman  
 Stephen Flynn  
 Peter Grant  
 Patrick Grady

NC6

To move the following Clause—

**“General anti-abuse rule: review of effect on tax revenues**

- (1) The Chancellor of the Exchequer must review the effects on tax revenues of section 98 and Schedule 13 and lay a report of that review before the House of Commons within six months of the passing of this Act.
- (2) The review under sub-paragraph (1) must consider—
- (a) the expected change in corporation and income tax paid attributable to the provisions in this Schedule; and
  - (b) an estimate of any change, attributable to the provisions in this Schedule, in the difference between the amount of tax required to be paid to the Commissioners and the amount paid.
- (3) The review under subparagraph (2)(b) must consider taxes payable by the owners and employees of Scottish Limited Partnerships.”

**Member’s explanatory statement**

*This new clause would require the Chancellor of the Exchequer to review the effect on public finances, and on reducing the tax gap, of Clause 98 and Schedule 13, and in particular on the taxes payable by owners and employees of Scottish Limited Partnerships.*

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Alison Thewliss  
 Ian Blackford  
 Kirsty Blackman  
 Stephen Flynn  
 Peter Grant  
 Patrick Grady

NC7

To move the following Clause—

**“Call-off stock arrangements: sectoral review of impact**

- (1) The Chancellor of the Exchequer must make an assessment of the impact of section 78 on the sectors listed in (2) below and lay a report of that assessment before the House of Commons within six months of the passing of this Act.
- (2) The sectors to be assessed under (1) are—

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**Finance Bill, *continued***

- (a) leisure,
- (b) retail,
- (c) hospitality,
- (d) tourism,
- (e) financial services,
- (f) business services,
- (g) health/life/medical services,
- (h) haulage/logistics,
- (i) aviation,
- (j) transport,
- (k) professional sport,
- (l) oil and gas,
- (m) universities, and
- (n) fairs.”

***Member’s explanatory statement***

*This new clause would require the Government to report on the effect of Clause 78 on a number of business sectors.*

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Alison Thewliss  
 Ian Blackford  
 Kirsty Blackman  
 Stephen Flynn  
 Peter Grant  
 Patrick Grady

NC8

To move the following Clause—

**“Review of effects on measures in Act of certain changes in migration levels**

- (1) The Chancellor of the Exchequer must review the effects on the provisions of this Act of migration in each of the scenarios in subsection (2) and lay a report of that review before the House of Commons within one month of the passing of this Act.
- (2) Those scenarios are that—
  - (a) the UK leaves the EU withdrawal transition period without a negotiated future trade agreement,
  - (b) the UK leaves the EU withdrawal transition period following a negotiated future trade agreement, and remains in the single market and customs union, and
  - (c) the UK leaves the EU withdrawal transition period following a negotiated trade agreement, and does not remain in the single market and customs union.
- (3) In respect of each of those scenarios the review must consider separately the effects of—
  - (a) migration by EU nationals, and
  - (b) migration by non-EU nationals.
- (4) In respect of each of those scenarios the review must consider separately the effects on the measures in each part of the United Kingdom and each region of England.

**Finance Bill, *continued***

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

***Member’s explanatory statement***

*This new clause would require a Government review of the effects on measures in the Bill of certain changes in migration levels.*

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Alison Thewliss  
 Patrick Grady  
 Owen Thompson  
 Stephen Flynn  
 Peter Grant  
 Alan Brown

NC9

To move the following Clause—

**“Review of effects on migration of measures in Act**

- (1) The Chancellor of the Exchequer must review the effects on migration of the provisions of this Act in each of the scenarios in subsection (2) and lay a report of that review before the House of Commons within one month of the passing of this Act.
- (2) Those scenarios are that—
  - (a) the UK leaves the EU withdrawal transition period without a negotiated future trade agreement
  - (b) the UK leaves the EU withdrawal transition period following a negotiated future trade agreement, and remains in the single market and customs union, and
  - (c) the UK leaves the EU withdrawal transition period following a negotiated trade agreement, and does not remain in the single market and customs union.
- (3) In respect of each of those scenarios the review must consider separately the effects on—
  - (a) migration by EU nationals, and
  - (b) migration by non-EU nationals.
- (4) In respect of each of those scenarios the review must consider separately the effects in each part of the United Kingdom and each region of England.
- (5) In this section— “parts of the United Kingdom” means—
  - (a) England,
  - (b) Scotland,
  - (c) Wales, and
  - (d) Northern Ireland;

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**Finance Bill, continued**

and “regions of England” has the same meaning as that used by the Office for National Statistics.”

**Member’s explanatory statement**

*This new clause would require a Government review of the effects of the measures in the Bill on migration levels.*

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Alison Thewliss  
 Ian Blackford  
 Kirsty Blackman  
 Stephen Flynn  
 Peter Grant  
 Patrick Grady

Caroline Lucas

**NC10**

To move the following Clause—

**“Impact of provisions of the Act on child poverty**

- (1) The Chancellor of the Exchequer must review the impact of the provisions of this Act on child poverty 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 the impact on—
  - (a) households at different levels of income,
  - (b) the Treasury’s compliance with the public sector equality duty under section 149 of the Equality Act 2010,
  - (c) different parts of the United Kingdom and different regions of England, and
  - (d) levels of relative and absolute child poverty in the United Kingdom.
- (3) In this section— “parts of the United Kingdom” means—
  - (a) England,
  - (b) Scotland,
  - (c) Wales, and
  - (d) Northern Ireland;

and “regions of England” has the same meaning as that used by the Office for National Statistics.”

**Member’s explanatory statement**

*This new clause would require the Chancellor of the Exchequer to review the impact of the Bill on child poverty.*

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**Finance Bill, *continued***

Alison Thewliss  
 Ian Blackford  
 Kirsty Blackman  
 Stephen Flynn  
 Peter Grant  
 Patrick Grady

Caroline Lucas

NC11

To move the following Clause—

**“Assessment of equality impact of measures in Act**

- (1) The Chancellor of the Exchequer must lay before the House of Commons a report assessing the effects on equalities of the provisions of this Act within 12 months of the passing of this Act.
- (2) The review must make a separate assessment with respect to each of the protected characteristics set out in section 4 of the Equality Act 2010.
- (3) Each assessment under (2) must report separately on the effects in in each part of the United Kingdom and each region of England.
- (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.”

***Member’s explanatory statement***

*This new clause would require the Chancellor of the Exchequer to review the impact of the Bill on equalities.*

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Alison Thewliss  
 Ian Blackford  
 Kirsty Blackman  
 Stephen Flynn  
 Peter Grant  
 Patrick Grady

NC12

To move the following Clause—

**“Assessment of impact of provisions of this Act**

- (1) The Chancellor of the Exchequer must review in parts of the United Kingdom and regions of England the impact of the provisions of this Act and lay a report of that review before the House of Commons within one month of the passing of this Act
- (2) A review under this section must consider the effects of the provisions on—
  - (a) GDP
  - (b) business investment,
  - (c) employment,
  - (d) productivity,

**Finance Bill, *continued***

- (e) company solvency,
  - (f) public revenues
  - (g) poverty, and
  - (h) public health.
- (3) A review under this section must consider the following scenarios—
- (a) the Job Retention Scheme, Coronavirus Business Interruption Loan Scheme, Bounceback Loan Scheme and Self-employed Income Support Scheme are continued are continued for—
    - (i) six months,
    - (ii) the next year,
    - (iii) eighteen months,
    - (iv) the next two years; and
  - (b) the Job Retention Scheme, Coronavirus Business Interruption Loan Scheme, Bounceback Loan Scheme and Self-employed Income Support Scheme are ended or changed in any ways by a Minister of the Crown other than as specified in (a).
- (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.”

***Member’s explanatory statement***

*This new clause would require a review of the impact of the Bill in different possible scenarios with respect to the continuation of the coronavirus support schemes.*

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Finance Bill, *continued*

Alison Thewliss  
Ian Blackford  
Kirsty Blackman  
Stephen Flynn  
Peter Grant  
Patrick Grady

Caroline Lucas

NC13

To move the following Clause—

**“Review of impact of Act on UK meeting UN Sustainable Development Goals**

The Chancellor of the Exchequer must conduct an assessment of the impact of this Act on the UK meeting the UN Sustainable Development Goals, and lay this before the House of Commons within six months of Royal Assent.”

***Member’s explanatory statement***

*This new clause would require the Chancellor of the Exchequer to review the impact of the Bill on the UK meeting the UN Sustainable Development Goals.*

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Alison Thewliss  
Ian Blackford  
Kirsty Blackman  
Stephen Flynn  
Peter Grant  
Patrick Grady

Caroline Lucas

NC14

To move the following Clause—

**“Review of impact of Act on UK meeting Paris climate change commitments**

The Chancellor of the Exchequer must conduct an assessment of the impact of this Act on the UK meeting its Paris climate change commitments, and lay this before the House of Commons within six months of Royal Assent.”

***Member’s explanatory statement***

*This new clause would require the Chancellor of the Exchequer to review the impact of the Bill on the UK meeting its Paris climate change commitments.*

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**Finance Bill, *continued***

Alison Thewliss  
 Ian Blackford  
 Kirsty Blackman  
 Stephen Flynn  
 Peter Grant  
 Patrick Grady

NC15

To move the following Clause—

**“Sectoral review of impact of Act**

- (1) The Chancellor of the Exchequer must make an assessment of the impact of this Act on the sectors listed in (2) below and lay a report of that assessment before the House of Commons within six months of Royal Assent.
- (2) The sectors to be assessed under (1) are—
  - (a) leisure,
  - (b) retail,
  - (c) hospitality,
  - (d) tourism,
  - (e) financial services,
  - (f) business services,
  - (g) health/life/medical services,
  - (h) haulage/logistics,
  - (i) aviation,
  - (j) transport,
  - (k) professional sport,
  - (l) oil and gas,
  - (m) universities, and
  - (n) fairs.”

***Member’s explanatory statement***

*This new clause would require the Government to report on the effect of the Bill on a number of business sectors.*

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Alison Thewliss  
 Ian Blackford  
 Kirsty Blackman  
 Stephen Flynn  
 Peter Grant  
 Patrick Grady

NC16

To move the following Clause—

**“Review of effect of Act on tax revenues**

- (1) The Chancellor of the Exchequer must review the effects on tax revenues of the Act and lay a report of that review before the House of Commons within six months of Royal Assent.
- (2) The review under (1) must contain an estimate of any change attributable to the provisions in this Act in the difference between the amount of tax required to be paid to the Commissioners and the amount paid.

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**Finance Bill, continued**

- (3) The estimate under (2) must report separately on taxes payable by the owners and employees of Scottish Limited Partnerships.”

***Member’s explanatory statement***

*This new clause would require the Chancellor of the Exchequer to review the effect on public finances, and on reducing the tax gap, of the Bill; and in particular on the taxes payable by owners and employees of Scottish Limited Partnerships.*

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Ben Lake  
Liz Saville Roberts  
Alison Thewliss  
Hywel Williams  
Stephen Flynn

NC17

To move the following Clause—

**“Review of geographical effects of provisions of Sections 28 to 31**

The Chancellor of the Exchequer must within twelve months of the passing of this Act lay before both Houses of Parliament a report assessing the differential geographical effects, broken down by nation and NUTS 1 statistical region, of the changes made by sections 28 to 31 of this Act.”

***Member’s explanatory statement***

*This new clause would require a geographical impact assessment of the clauses of the Bill relating to reliefs for business.*

---

Alison Thewliss  
Ian Blackford  
Kirsty Blackman  
Stephen Flynn  
Peter Grant  
Patrick Grady

NC18

☆ To move the following Clause—

**“Review of changes in Act**

- (1) The Chancellor of the Exchequer must review the effect of the changes in this Act in each part of the United Kingdom and each region of England and lay a report of that review before the House of Commons within two months of the passing of this Act.
- (2) A review under this section must consider the effects of the changes on—
  - (a) business investment,
  - (b) employment, and
  - (c) productivity.
- (3) A review under this section must consider the effects in the current and each of the subsequent four financial years.
- (4) The review must also estimate the effects on the changes in the event of each of the following—

**Finance Bill, continued**

- (a) the UK leaves the EU withdrawal transition period without a negotiated comprehensive free trade agreement,
  - (b) the UK leaves the EU withdrawal transition period with a negotiated agreement, and remains in the single market and customs union, or
  - (c) the UK leaves the EU withdrawal transition period with a negotiated comprehensive free trade agreement, and does not remain in the single market and customs union.
- (5) The review must also estimate the effects on the changes if the UK signs a free trade agreement with the United States.
- (6) In this section—
- “parts of the United Kingdom” means—
- (a) England,
  - (b) Scotland,
  - (c) Wales, and
  - (d) Northern Ireland;
- and “regions of England” has the same meaning as that used by the Office for National Statistics.”

**Member’s explanatory statement**

*This new clause requires a review of the impact on investment, employment and productivity of the changes made by the Act over time; in the event of a free trade agreement with the USA; and in the event of leaving the EU without a trade agreement, with an agreement to retain single market and customs union membership, or with a trade agreement that does not include single market and customs union membership.*

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Alison Thewliss  
 Ian Blackford  
 Kirsty Blackman  
 Stephen Flynn  
 Peter Grant  
 Patrick Grady

16

★ Page 2, line 23, leave out Clause 7

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Ben Lake  
 Liz Saville Roberts  
 Alison Thewliss  
 Hywel Williams  
 Stephen Flynn

1

Clause 36, page 34, line 29, at end insert—

- “(13) The Chancellor of the Exchequer must, no later than 5 April 2021, lay before the House of Commons a report—
- (a) analysing the fiscal and economic effects of Government relief under the Enterprise Investment Scheme since the inception of the Scheme, and the changes in those effects which it estimates will occur as a result of the provisions of this Section, in respect of;

**Finance Bill, *continued***

- (i) each NUTS 1 statistical region of England and England as a whole,
- (ii) Scotland,
- (iii) Wales, and
- (iv) Northern Ireland;
- (b) assessing how the Enterprise Investment Scheme is furthering efforts to mitigate climate change, and any differences in the benefit of this funding in respect of—
  - (i) each NUTS 1 statistical region of England and England as a whole,
  - (ii) Scotland,
  - (iii) Wales, and
  - (iv) Northern Ireland;
- (c) evaluating the lessons that can be drawn from the effects of the Enterprise Investment Scheme with respect to the encouragement of both private and UK Government-backed venture capital funds in the devolved nations of the UK.”

***Member’s explanatory statement***

*This amendment would require the Chancellor of the Exchequer to analyse the impact of the existing EIS and the changes proposed in Clause 36 in terms of impact on the economy and geographical reach; to assess the EIS’s support for efforts to mitigate climate change; and to evaluate the Scheme’s lessons for the encouragement of UK Government-backed venture capital funds in the devolved nations.*

---

Alison Thewliss  
 Ian Blackford  
 Kirsty Blackman  
 Stephen Flynn  
 Peter Grant  
 Patrick Grady

2

☆ Clause 80, page 66, line 2, at end insert—

“(3) The Chancellor of the Exchequer must review the expected effects on public health of the changes made to the Alcoholic Liquor Duties Act 1979 by this Section and lay a report of that review before the House of Commons within one year of the passing of this Act.”

***Member’s explanatory statement***

*This amendment would require the Government to review the impact of the proposed changes to alcohol liquor duties on public health.*

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**Finance Bill, continued**

Alison Thewliss  
Ian Blackford  
Kirsty Blackman  
Stephen Flynn  
Peter Grant  
Patrick Grady

3

☆ Clause 81, page 68, line 21, at end insert—

“(3) The Chancellor of the Exchequer must review the expected effects on public health of the changes made to the TPDA 1979 by this Section and lay a report of that review before the House of Commons within one year of the passing of this Act.”

***Member’s explanatory statement***

*This amendment would require the Government to review the expected impact of the revised rates of duty on tobacco products on public health.*

---

Alison Thewliss  
Ian Blackford  
Kirsty Blackman  
Stephen Flynn  
Peter Grant  
Patrick Grady

4

☆ Clause 86, page 73, line 20, after “supplies” insert “, including human breastmilk”

***Member’s explanatory statement***

*This amendment would ensure that vehicles carrying human breastmilk would benefit from the exemption from Vehicle Excise Duty.*

---

Alison Thewliss  
Ian Blackford  
Kirsty Blackman  
Stephen Flynn  
Peter Grant  
Patrick Grady

5

☆ Page 76, line 10, leave out Clause 95

Finance Bill, *continued*

Alison Thewliss  
 Ian Blackford  
 Kirsty Blackman  
 Stephen Flynn  
 Peter Grant  
 Patrick Grady

6

☆ Clause 95, page 17, line 14, at end insert—

“(2) The Government must lay before the House of Commons by 9 September 2020 a statement of the conditions under which it would consider it appropriate to vary rates of import duty under this Section.”

***Member’s explanatory statement***

*This amendment would require the Government to state the conditions under which it would consider it appropriate to vary rates of import duty in an international trade dispute.*

Alison Thewliss  
 Ian Blackford  
 Kirsty Blackman  
 Stephen Flynn  
 Peter Grant  
 Patrick Grady

7

☆ Clause 95, page 17, line 14, at end insert—

“(2) No regulations under this section may be made unless a draft has been laid before and approved by a resolution of the House of Commons.”

***Member’s explanatory statement***

*This amendment would require the Government to seek the approval of the House before making regulations varying rates of import duty in an international trade dispute.*

Alison Thewliss  
 Ian Blackford  
 Kirsty Blackman  
 Stephen Flynn  
 Peter Grant  
 Patrick Grady

8

☆ Clause 95, page 17, line 14, at end insert—

“(2) The Chancellor of the Exchequer must, no later than a month before any exercise of the power in subsection (1), lay before the House of Commons a report containing the following—

- (a) an assessment of the fiscal and economic effects of the exercise of the powers in subsection (1);
- (b) a comparison of those fiscal and economic effects with the effects of the UK being within the EU Customs Union;
- (c) an assessment any differences in the exercise of those powers in respect of—
  - (i) England,
  - (ii) Scotland,
  - (iii) Wales, and
  - (iv) Northern Ireland; and
- (d) an assessment of any differential effects in relation to the matters specified in paragraphs (a) and (b) between—
  - (i) England,
  - (ii) Scotland,

---

**Finance Bill, continued**

- (iii) Wales, and
- (iv) Northern Ireland.”

**Member’s explanatory statement**

*This would require a review of the economic and fiscal impact of the use of the powers in section 94 including comparing those effects with EU Customs Union membership.*

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Alison Thewliss  
 Ian Blackford  
 Kirsty Blackman  
 Stephen Flynn  
 Peter Grant  
 Patrick Grady

9

- ☆ Clause 96, page 77, line 26, after “tax” insert “which is due at the relevant date from the debtor and which became due in the 12 months immediately preceding that date, and/”

**Member’s explanatory statement**

*This amendment seeks to limit the extent of HMRC’s status as a preferential creditor in insolvencies by preventing the policy from being applied retrospectively and by limiting that preference to only those taxes which became due in the 12 months before the relevant date as given in the Bill (1st December 2020).*

Alison Thewliss  
 Ian Blackford  
 Kirsty Blackman  
 Stephen Flynn  
 Peter Grant  
 Patrick Grady

10

- ☆ Clause 96, page 77, line 27, after “deduction”, insert “from a payment made by the debtor in the period of 12 months immediately preceding the relevant date.”

**Member’s explanatory statement**

*This amendment seeks to limit the extent of HMRC’s status as a preferential creditor in insolvencies by preventing the policy from being applied retrospectively and by limiting that preference to only those taxes which became due in the 12 months before the relevant date as given in the Bill (1st December 2020).*

Alison Thewliss  
 Ian Blackford  
 Kirsty Blackman  
 Stephen Flynn  
 Peter Grant  
 Patrick Grady

11

- ☆ Clause 96, page 78, line 11, after “tax”, insert “which is due at the relevant date from the debtor and which became due in the 12 months immediately preceding that date, and/”

**Member’s explanatory statement**

*This amendment seeks to limit the extent of HMRC’s status as a preferential creditor in insolvencies by preventing the policy from being applied retrospectively and by limiting that preference to only those taxes which became due in the 12 months before the relevant date as given in the Bill (1st December 2020).*

Finance Bill, *continued*

Alison Thewliss  
 Ian Blackford  
 Kirsty Blackman  
 Stephen Flynn  
 Peter Grant  
 Patrick Grady

12

- ☆ Clause 96, page 78, line 12, after “deduction”, insert “from a payment made by the debtor in the period of 12 months immediately preceding the relevant date.”

***Member’s explanatory statement***

*This amendment seeks to limit the extent of HMRC’s status as a preferential creditor in insolvencies by preventing the policy from being applied retrospectively and by limiting that preference to only those taxes which became due in the 12 months before the relevant date as given in the Bill (1st December 2020).*

Alison Thewliss  
 Ian Blackford  
 Kirsty Blackman  
 Stephen Flynn  
 Peter Grant  
 Patrick Grady

13

- ☆ Clause 96, page 78, line 35, after “tax”, insert “which is due at the relevant date from the debtor and which became due in the 12 months immediately preceding that date, and”

***Member’s explanatory statement***

*This amendment seeks to limit the extent of HMRC’s status as a preferential creditor in insolvencies by preventing the policy from being applied retrospectively and by limiting that preference to only those taxes which became due in the 12 months before the relevant date as given in the Bill (1st December 2020).*

Alison Thewliss  
 Ian Blackford  
 Kirsty Blackman  
 Stephen Flynn  
 Peter Grant  
 Patrick Grady

14

- ☆ Clause 96, page 78, line 36, after “deduction”, insert “from a payment made by the debtor in the period of 12 months immediately preceding the relevant date.”

***Member’s explanatory statement***

*This amendment seeks to limit the extent of HMRC’s status as a preferential creditor in insolvencies by preventing the policy from being applied retrospectively and by limiting that preference to only those taxes which became due in the 12 months before the relevant date as given in the Bill (1st December 2020).*

Finance Bill, *continued*

Alison Thewliss  
 Ian Blackford  
 Kirsty Blackman  
 Stephen Flynn  
 Peter Grant  
 Patrick Grady

15

☆ Clause 96, page 79, line 10, at end insert—

“(8) The amendments made by this section do not apply to any debt secured by a floating charge in respect of monies were advanced to the debtor before 1 December 2020.”

***Member’s explanatory statement***

*This amendment seeks to limit the extent of HMRC’s status as a preferential creditor in insolvencies by preventing the policy from being applied retrospectively and by limiting that preference to only those taxes which became due in the 12 months before the relevant date as given in the Bill (1st December 2020).*

The Chancellor of the Exchequer

NS1

★ To move the following Schedule—

## “TAXATION OF CORONAVIRUS SUPPORT PAYMENTS

*Accounting for coronavirus support payments referable to a business*

- 1 (1) This paragraph applies if a person carrying on, or who carried on, a business (whether alone or in partnership) receives a coronavirus support payment that is referable to the business.
- (2) So much of the coronavirus support payment as is referable to the business is a receipt of a revenue nature for income tax or corporation tax purposes and is to be brought into account in calculating the profits of that business—
  - (a) under the applicable provisions of the Income Tax Acts, or
  - (b) under the applicable provisions of the Corporation Tax Acts.
- (3) Subject to paragraph 2(5), sub-paragraph (2) does not apply to an amount of a coronavirus support payment if—
  - (a) the business to which the amount is referable is no longer carried on by the recipient of the amount, and
  - (b) the amount is not referable to activities of the business undertaken at a time when it was being carried on by the recipient of the amount.
- (4) If an amount of the coronavirus support payment is referable to more than one business or business activity, the amount is to be allocated between those businesses or activities on a just and reasonable basis.
- (5) Paragraph 3 contains provision about when, in certain cases, an amount of a coronavirus support payment is, or is not, referable to a business for the purposes of this paragraph and paragraph 2.
- (6) In this Schedule “business” includes—
  - (a) a trade, profession or vocation;
  - (b) a UK property business or an overseas property business;
  - (c) a business consisting wholly or partly of making investments.

**Finance Bill, continued**

*Amounts not referable to activities of a business which is being carried on*

- 2 (1) This paragraph applies if a person who carried on a business (whether alone or in partnership) receives a coronavirus support payment that—
  - (a) is referable to the business, and
  - (b) is not wholly referable to activities of the business undertaken while the business was being carried on by the recipient of the payment.
- (2) So much of the coronavirus support payment as is referable to the business but which is not referable to activities of the business undertaken while the business was being carried on by the recipient of the payment is to be treated as follows.
- (3) An amount referable to a trade, profession or vocation is to be treated as a post-cessation receipt for the purposes of Chapter 18 of Part 2 of ITTOIA 2005 or Chapter 15 of Part 3 of CTA 2009 (trading income: post-cessation receipts), and—
  - (a) in the application of Chapter 18 of Part 2 of ITTOIA 2005 to that amount, section 243 (extent of charge to tax) is omitted, and
  - (b) in the application of Chapter 15 of Part 3 of CTA 2009 to that amount, section 189 (extent of charge to tax) is omitted.
- (4) An amount referable to a UK property business or an overseas property business is to be treated (in either case) as a post-cessation receipt from a UK property business for the purposes of Chapter 10 of Part 3 of ITTOIA 2005 or Chapter 9 of Part 4 of CTA 2009 (property income: post-cessation receipts), and—
  - (a) in the application of Chapter 10 of Part 3 of ITTOIA 2005 to that amount, section 350 (extent of charge to tax) is omitted, and
  - (b) in the application of Chapter 9 of Part 4 of CTA 2009 to that amount, section 281 (extent of charge to tax) is omitted.
- (5) In any other case, for the purposes of paragraph 1(3)—
  - (a) the recipient of the amount is to be treated as if carrying on the business to which the amount is referable to at the time of the receipt of the amount, and
  - (b) the amount is to be treated as if it were referable to activities undertaken by the business at that time.
- (6) Where the recipient of the amount has incurred expenses that—
  - (a) are referable to the amount, and
  - (b) would be deductible in calculating the profits of the business if it were being carried on at the time of receipt of the amount,
 the amount brought into account under paragraph 1(2) by virtue of sub-paragraph (5) is to be reduced by the amount of those expenses.
- (7) But sub-paragraph (6) does not apply to expenses of a person that arise directly or indirectly from the person ceasing to carry on business.

*Amounts referable to businesses in certain cases*

- 3 (1) An amount of a coronavirus support payment made under an employment-related scheme—
  - (a) is referable to the business of the person entitled to the payment as an employer (even if the person is not for other purposes the employer of the employees to whom the payment relates), and
  - (b) is not referable to any other business (and no deduction for any expenses in respect of the same employment costs which are the subject of the payment is allowed in calculating the profits of any other business or in calculating the liability of any other person to tax

**Finance Bill, *continued***

charged under section 242 or 349 of ITTOIA 2005 or section 188 or 280 of CTA 2009 (post-cessation receipts)).

- (2) A coronavirus support payment made under the self-employment income support scheme is referable to the business of the individual to whom the payment relates.
- (3) Where an amount of a coronavirus support payment made under the self-employment income support scheme is brought into account under paragraph 1(2), the whole of the amount is to be treated as a receipt of a revenue nature of the tax year 2020-21 (irrespective of its treatment for accounting purposes).
- (4) But sub-paragraph (3) does not apply to an amount of a coronavirus support payment made under the self-employment income support scheme in respect of a partner of a firm where the amount is distributed amongst the partners (rather than being retained by the partner).
- (5) An amount of a coronavirus support payment made under the self-employment income support scheme in respect of a partner of a firm that is retained by the partner (rather than being distributed amongst the partners) is not to be treated as a receipt of the firm.
- (6) Accordingly—
  - (a) the receipt is not to be included in the calculation of the firm's profits for the purposes of determining the share of profits or losses for each partner of the firm (see sections 849 to 850E of ITTOIA 2005 and sections 1259 to 1265 of CTA 2009), and
  - (b) the receipt is then to be added to the partner's share.

*Exemptions, reliefs and deductions*

- 4 (1) An amount of a coronavirus support payment that relates only to mutual activities of a business that carries on a mutual trade is to be treated as if it were income arising from those activities (and accordingly the amount is not taxable).
- (2) A coronavirus support payment is to be ignored when carrying out the calculation—
  - (a) in section 528(1) of ITA 2007 (incoming resources limit for charitable exemptions);
  - (b) in section 482(1) of CTA 2010 (incoming resources limit for charitable companies);
  - (c) in section 661CA(1) of CTA 2010 (income condition for community amateur sports clubs).
- (3) A coronavirus support payment made under an employment-related scheme is to be ignored when carrying out the calculation—
  - (a) in section 662(2) of CTA 2010 (exemption from corporation tax for UK trading income of community amateur sports clubs);
  - (b) in section 663(2) of that Act (exemption from corporation tax for UK property income community amateur sports clubs).
- (4) No relief under Chapter 1 of Part 6A of ITTOIA 2005 (trading allowance) is given to an individual on an amount of a coronavirus support payment made under the self-employment income support scheme brought into account under paragraph 1(2) as profits of that tax year.
- (5) For the purposes of that Part, such an amount is to be ignored when calculating the individual's "relevant income" for that tax year under Chapter 1 of that Part.
- (6) Neither section 57 of ITTOIA 2005 nor section 61 of CTA 2009 (deductions for pre-trading expenses) (including as they apply by virtue of sections 272 and 272ZA of ITTOIA 2005 and section 210 of CTA 2009) apply to employment

**Finance Bill, continued**

costs where an amount of a coronavirus support payment made under an employment-related scheme relates to those costs.

*Charge where employment costs deductible by another*

- 5 (1) Income tax is charged on an amount of a coronavirus support payment made under an employment-related scheme if conditions A and B are met.
- (2) Condition A is that the amount is neither brought into account under paragraph 1(2) in calculating the profits of a business carried on by the person entitled to the payment as an employer nor treated, by virtue of paragraph 2(3) or (4), as a post-cessation receipt arising from the carrying on of such a business.
- (3) Condition B is that expenses incurred by another person in respect of the same employment costs which are the subject of the coronavirus support payment and to which the amount relates are deductible—
  - (a) in calculating the profits of a business carried on by that other person (for income or corporation tax purposes), or
  - (b) in calculating the liability of that other person to tax charged under section 242 or 349 of ITTOIA 2005 or section 188 or 280 of CTA 2009 (post-cessation receipts).
- (4) Tax is charged under sub-paragraph (1) on the whole of the amount to which that sub-paragraph applies.
- (5) The person liable for tax charged under sub-paragraph (1) is the person entitled to the coronavirus support payment as an employer.
- (6) Section 3(1) of CTA 2009 (exclusion of charge to income tax) does not apply to an amount of a coronavirus support payment that is charged under this paragraph.

*Charge where no business carried on*

- 6 (1) Tax is charged on an amount of a coronavirus support payment, other than a payment made under an employment-related scheme or the self-employment income support scheme, if—
  - (a) the amount is neither brought into account under paragraph 1(2) in calculating the profits of a business nor treated as a post-cessation receipt by virtue of paragraph 2(3) or (4), and
  - (b) at the time the coronavirus support payment was received, the recipient did not carry on a business whose profits are charged to tax and to which the payment could be referable.
- (2) In this paragraph “tax” means—
  - (a) corporation tax, in the case of a company that (apart from this paragraph) is chargeable to corporation tax, or to any amount chargeable as if it was corporation tax, or
  - (b) income tax, in any other case.
- (3) Tax is charged under sub-paragraph (1) on the whole of the amount to which that sub-paragraph applies.
- (4) The person liable for tax charged under sub-paragraph (1) is the recipient of that amount.
- (5) Where income tax is charged under sub-paragraph (1), sections 527 and 528 of ITA 2007 (exemption and income condition for charitable trusts) have effect as if sub-paragraph (1) were a provision to which section 1016 of that Act applies.
- (6) Where corporation tax is charged under sub-paragraph (1), sections 481 and 482 of CTA 2010 (exemption and income condition for charitable companies)

**Finance Bill, *continued***

have effect as if sub-paragraph (1) were a provision to which section 1173 of that Act applies.

*Modification of the Tax Acts*

- 7 The Treasury may by regulations modify the application of any provision of the Tax Acts that affects (or that otherwise would affect) the treatment of—
- (a) receipts brought into account under paragraph 1(2),
  - (b) amounts treated as post-cessation receipts under paragraph 2(3) or (4), or
  - (c) amounts charged under paragraph 5(1) or 6(1).

*Charge if person not entitled to coronavirus support payment*

- 8
- (1) A recipient of an amount of a coronavirus support payment is liable to income tax under this paragraph if the recipient is not entitled to the amount in accordance with the scheme under which the payment was made.
  - (2) But sub-paragraph (1) does not apply to an amount of a coronavirus support payment made under a coronavirus business support grant scheme or the coronavirus statutory sick pay rebate scheme.
  - (3) For the purposes of this Schedule, references to a person not being entitled to an amount include, in the case of an amount of a coronavirus support payment made under the coronavirus job retention scheme, a case where the person ceases to be entitled to retain the amount after it was received—
    - (a) because of a change in circumstances, or
    - (b) because the person has not, within a reasonable period, used the amount to pay the costs which it was intended to reimburse.
  - (4) Income tax becomes chargeable under this paragraph—
    - (a) in a case where the person was entitled to an amount of a coronavirus support payment paid under the coronavirus job retention scheme but subsequently ceases to be entitled to retain it, at the time the person ceases to be entitled to retain the amount, or
    - (b) in any other case, at the time the coronavirus support payment is received.
  - (5) The amount of income tax chargeable under this paragraph is the amount equal to so much of the coronavirus support payment—
    - (a) as the recipient is not entitled to, and
    - (b) as has not been repaid to the person who made the coronavirus support payment.
  - (6) Where income tax which is chargeable under this paragraph is the subject of an assessment (whether under paragraph 9 or otherwise)—
    - (a) paragraphs 1 to 6 do not apply to the amount of the coronavirus support payment that is the subject of the assessment,
    - (b) that amount is not, for the purposes of Step 1 of the calculation in section 23 of ITA 2007 (calculation of income tax liability), to be treated as an amount of income on which the taxpayer is charged to income tax (but see paragraph 10 which makes further provision about the application of that section), and
    - (c) that amount is not to be treated as income of a company for the purposes of section 3 of CTA 2009 (and accordingly the exclusion of the application of the provisions of the Income Tax Acts to the income of certain companies does not apply to the receipt of an amount charged under this paragraph).

**Finance Bill, *continued***

- (7) No loss, deficit, expense or allowance may be taken into account in calculating, or may be deducted from or set off against, any amount of income tax charged under this paragraph.
- (8) In calculating profits or losses for the purposes of corporation tax, no deduction is allowed in respect of the payment of income tax charged under this paragraph.
- (9) For the purposes of this paragraph and paragraphs 9(4) and 14, a firm is not to be regarded as receiving an amount of a coronavirus support payment made under the self-employment income support scheme in respect of a partner of that firm that is retained by the partner (rather than being distributed amongst the partners).

*Assessments of income tax chargeable under paragraph 8*

- 9 (1) If an officer of Revenue and Customs considers (whether on the basis of information or documents obtained by virtue of the exercise of powers under Schedule 36 to FA 2008 or otherwise) that a person has received an amount of a coronavirus support payment to which the person is not entitled, the officer may make an assessment in the amount which ought in the officer's opinion to be charged under paragraph 8.
- (2) An assessment under sub-paragraph (1) may be made at any time, but this is subject to sections 34 and 36 of TMA 1970.
- (3) Parts 4 to 6 of TMA 1970 contain other provisions that are relevant to an assessment under sub-paragraph (1) (for example, section 31 makes provision about appeals and section 59B(6) makes provision about the time to pay income tax payable by virtue of an assessment).
- (4) Where income tax is chargeable under paragraph 8 in relation to an amount of a coronavirus support payment received by a firm—
  - (a) an assessment (under sub-paragraph (1) or otherwise) may be made on any of the partners in respect of the total amount of tax that is chargeable,
  - (b) each of the partners is jointly and severally liable for the tax so assessed, and
  - (c) if the total amount of tax that is chargeable is included in a return under section 8 of TMA 1970 made by one of the partners, the other partners are not required to include the tax in returns made by them under that section.

*Calculation of income tax liability*

- 10 (1) Section 23 of ITA 2007 (calculation of income tax liability) applies in relation to a person liable to income tax charged under paragraph 8 as if that paragraph were included in the lists of provisions in subsections (1) and (2) of section 30 of that Act (amounts of tax added at step 7).
- (2) For the purposes of paragraph 7(2) of Schedule 41 to FA 2008, a relevant obligation relating to income tax charged under paragraph 8 of this Schedule relates to a tax year if the income tax became chargeable in that tax year.
- (3) But this paragraph does not apply to a company to which paragraph 11 (companies chargeable to corporation tax) applies.

*Calculation of tax liability: companies chargeable to corporation tax*

- 11 (1) This paragraph applies where a person liable to income tax charged under paragraph 8 is a company that is chargeable to corporation tax, or to any amount chargeable as if it was corporation tax, in relation to a period within which the income tax became chargeable.

**Finance Bill, *continued***

- (2) Part 5A of TMA 1970 (payment of tax) applies in relation to that company as if—
- (a) the reference to “corporation tax” in subsection (1) of section 59D (general rule as to when corporation tax is due and payable) included income tax charged under paragraph 8 of this Schedule;
  - (b) an amount of income tax charged under paragraph 8 of this Schedule were an amount within subsection (6) of section 59F (arrangements for paying tax on behalf of group members);
  - (c) any reference in section 59G (managed payment plans) to “corporation tax” included income tax charged under paragraph 8 of this Schedule.
- (3) Part 9 of that Act (interest on overdue tax) applies in relation to that company as if—
- (a) the references in section 86 (interest on overdue income tax and capital gains tax) to “income tax” did not include income tax charged under paragraph 8 of this Schedule;
  - (b) in subsection (1) of section 87A (interest on overdue corporation tax) the reference to “corporation tax” included income tax charged under paragraph 8 of this Schedule.
- (4) Schedule 18 to FA 1998 (company tax returns etc.) applies in relation to that company as if—
- (a) any reference in that Schedule to “tax”, other than the references in paragraph 2 of that Schedule (duty to give notice of chargeability), included income tax charged under paragraph 8 of this Schedule, and
  - (b) in paragraph 8(1) of that Schedule (calculation of tax payable), at the end there were inserted—

*“Sixth step*

Add any amount of income tax chargeable under paragraph 8 of Schedule (*Taxation of coronavirus support payments*) to the Finance Act 2020.”

- (5) But the modifications of that Schedule are to be ignored for the purposes of the Corporation Tax (Instalment Payments) Regulations 1998 (S.I. 1998/3175).
- (6) Schedule 41 to FA 2008 applies in relation to that company as if—
- (a) the references to “income tax” in paragraph 7(2) did not include income tax charged under paragraph 8 of this Schedule;
  - (b) the reference to “corporation tax” in paragraph 7(3) included income tax charged under paragraph 8 of this Schedule;
- (but see paragraph 13(5) of this Schedule which has the effect that paragraph 7 of that Schedule does not apply in certain circumstances).
- (7) For the purposes of paragraph 7(3) of Schedule 41 to FA 2008 (as modified by sub-paragraph (6)), a relevant obligation relating to income tax charged under paragraph 8 of this Schedule relates to an accounting period if the income tax became chargeable in that period.

*Notification of liability under paragraph 8*

- 12 (1) Section 7 of TMA 1970 (notice of liability to income tax and capital gains tax) applies in relation to income tax chargeable under paragraph 8 as provided for in sub-paragraphs (2) to (5).
- (2) Subsection (1) has effect as if paragraph (b) (and the “and” before it) were omitted.

**Finance Bill, continued**

- (3) Subsection (1) has effect as if the reference to “the notification period” were to the period commencing on the day on which the income tax became chargeable and ending on the later of—
  - (a) the 90th day after the day on which this Act is passed, or
  - (b) the 90th day after the day on which the income tax became chargeable.
- (4) Subsection (3)(c) has effect as if after “child benefit charge” there were inserted “or to income tax under paragraph 8 of Schedule (*Taxation of coronavirus support payments*) to the Finance Act 2020”.
- (5) In relation to income tax chargeable under paragraph 8 in relation to an amount of a coronavirus support payment received by a firm, the duty in subsection (1) (as it has effect by virtue of sub-paragraphs (2) and (3)) is taken to have been complied with by each of the partners if one of the partners has complied with it.
- (6) The reference in section 36(1A)(b) of TMA 1970 (20 year period for assessment in a case involving a loss of income tax) to a failure to comply with an obligation under section 7 of that Act is not to be taken as including a failure arising by virtue of the modification of that section by this paragraph, unless the failure is one to which paragraph 13 applies.

*Penalty for failure to notify: knowledge of non-entitlement to payment*

- 13 (1) This paragraph applies to a failure of a person to notify, under section 7 of TMA 1970 (as modified by paragraph 12), a liability to income tax chargeable under paragraph 8 where the person knew, at the time the income tax first became chargeable, that the person was not entitled to the amount of the coronavirus support payment in relation to which the tax is chargeable.
- (2) Schedule 41 to FA 2008 (failure to notify) applies to a failure described in sub-paragraph (1) as follows.
- (3) The failure is to be treated as deliberate and concealed.
- (4) Accordingly, paragraph 6 of that Schedule has effect as if the references to a penalty for “a deliberate but not concealed failure” or for “any other case” were omitted.
- (5) For the purposes of that Schedule (except in a case falling within paragraph 14 of this Schedule), the “potential lost revenue” is to be treated as being the amount of income tax which would have been assessable on the person at the end of the last day of the notification period (see paragraph 12(3)).

*Penalties: partnerships*

- 14 (1) This paragraph applies to a failure to notify, under section 7 of TMA 1970 (as modified by paragraph 12), a liability to income tax chargeable under paragraph 8 by a partner of a firm that received the amount of the coronavirus support payment in relation to which the tax is chargeable.
- (2) For the purposes of paragraph 13(1) of this Schedule, each partner is taken to know anything that any of the other partners knows.
- (3) Where a partner would be liable to a penalty under Schedule 41 to FA 2008 (whether in a case falling within paragraph 13 or otherwise), the partner is instead jointly and severally liable with the other partners to a single penalty under that Schedule for the failures by each of them to notify.
- (4) In a case not falling within paragraph 13, if the failure of at least one of the partners—
  - (a) was deliberate and concealed, the single penalty is to be treated as a penalty for a deliberate and concealed failure;
  - (b) was deliberate but not concealed, the single penalty is to be treated as a penalty for a deliberate but not concealed failure.

**Finance Bill, continued**

- (5) For the purposes of Schedule 41 to FA 2008, the “potential lost revenue” is to be treated as being the amount of income tax which would have been assessable on any one of the partners (see paragraph 9(4)(a))—
  - (a) in a case falling within paragraph 13, at the end of the last day of the notification period, or
  - (b) in any other case, at the end of 31 January following the tax year in which the amount of coronavirus support payment was received by the firm.
- (6) Paragraph 22 of that Schedule (limited liability partnerships: members’ liability) does not apply.

*Liability of officers of insolvent companies*

- 15 (1) This paragraph—
  - (a) provides for an individual to be jointly and severally liable to the Commissioners for Her Majesty’s Revenue and Customs for a liability of a company to income tax charged under paragraph 8, where a notice under sub-paragraph (2) is given to the individual, and
  - (b) applies paragraphs 10 to 15 and 17 of Schedule 13 (joint liability notices: tax avoidance, tax evasion and repeated insolvency and non-payment) to such a notice.
- (2) An officer of Revenue and Customs may give a notice under this sub-paragraph to an individual if it appears to the officer that conditions A to D are met.
- (3) Condition A is that—
  - (a) the company is subject to an insolvency procedure, or
  - (b) there is a serious possibility of the company becoming subject to an insolvency procedure.
- (4) Condition B is that the company is liable to income tax under paragraph 8.
- (5) Condition C is that the individual was responsible for the management of the company at the time the income tax first became chargeable and the individual knew (at that time) that the company was not entitled to the amount of the coronavirus support payment in relation to which the tax is chargeable.
- (6) Condition D is that there is a serious possibility that some or all of the income tax liability will not be paid.
- (7) For the purposes of sub-paragraph (5) the individual is responsible for the management of a company if the individual—
  - (a) is a director or shadow director of the company, or
  - (b) is concerned (whether directly or indirectly) in, or takes part in, the management of the company.
- (8) A notice under sub-paragraph (2) must—
  - (a) specify the company to which the notice relates;
  - (b) set out the reasons for which it appears to the officer that conditions A to D are met;
  - (c) specify the amount of the income tax liability;
  - (d) state the effect of the notice;
  - (e) offer the individual a review of the decision to give the notice and explain the effect of paragraph 11 of Schedule 13 (right of review);
  - (f) explain the effect of paragraph 13 of that Schedule (right of appeal).
- (9) An individual who is given a notice under sub-paragraph (2) is jointly and severally liable with the company (and with any other individual who is given

**Finance Bill, continued**

such a notice) to the amount of the income tax liability specified under sub-paragraph (8)(c).

For provision under which the amount so specified may be varied, see—

- (a) paragraph 10 of Schedule 13 (modification etc),
  - (b) paragraphs 11 and 12 of that Schedule (review), and
  - (c) paragraphs 13 and 14 of that Schedule (appeal).
- (10) Paragraphs 10 to 15 and 17 of Schedule 13 apply to a notice under sub-paragraph (2) as they apply to a joint liability notice (see paragraph 1(2) of that Schedule) as if—
- (a) the references in those paragraphs to “relevant conditions” were to conditions A to D in this paragraph;
  - (b) sub-paragraphs (3) and (4) of paragraph 10 were omitted (and references to sub-paragraph (3) in that paragraph were omitted);
  - (c) in paragraph 10(6)(a), after “or (9)” there were inserted “or paragraph 15(8)(c) of Schedule (*Taxation of coronavirus support payments*)”;
  - (d) in paragraph 12(6)(b) after “5(9)” there were inserted “or paragraph 15(8)(c) of Schedule (*Taxation of coronavirus support payments*)”.
- (11) Expressions used in this paragraph and in Schedule 13 have the same meaning in this paragraph as they have in that Schedule (subject to the modification made by sub-paragraph (10)(a)).”

***Member’s explanatory statement***

*This new Schedule makes provision about the taxation of payments made under various coronavirus related business support schemes, including the coronavirus job retention scheme (“CJRS”) and the self-employment income support scheme (“SEISS”). Paragraphs 1 to 7 clarify how payments under those schemes are to be subject to tax, following (with some exceptions) the normal principles for taxing receipts of a business. Paragraph 8 provides that where a person receives an amount to which they were not entitled under CJRS or SEISS, or misapplies an amount paid under CJRS, the person will be liable to income tax at the rate of 100% in relation to so much of that amount as was not repaid to HMRC. Paragraphs 9 to 15 make provision in connection with that charge (for example in relation to assessments and penalties).*

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Alison Thewliss  
 Ian Blackford  
 Kirsty Blackman  
 Stephen Flynn  
 Peter Grant  
 Patrick Grady

★ Page 85, line 2, leave out Schedule 1.

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ORDER OF THE HOUSE [27 APRIL 2020]

That the following provisions shall apply to the Finance Bill:

*Committal*

1. The Bill shall be committed to a Public Bill Committee.

**Finance Bill, *continued****Proceedings in Public Bill Committee*

2. Proceedings in the Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on Thursday 25 June 2020.
3. The Public Bill Committee shall have leave to sit twice on the first day on which it meets.

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

4. Proceedings on Consideration and up to and including Third Reading shall be taken in two days in accordance with the following provisions of this Order.
  5. 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 second day.
  6. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on the second day.
  7. Standing Order No. 83B (Programming committees) shall not apply to proceedings on Consideration and up to and including Third Reading.
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