



House of Commons

NOTICES OF AMENDMENTS

given up to and including

Wednesday 14 April 2021

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 to 64 and 66 to 93, NC10 to NC28

COMMITTEE OF THE WHOLE HOUSE

FINANCE (No. 2) BILL

(Clauses 1 to 5; Clauses 6 to 14 and Schedule 1; Clauses 24 to 26; Clause 28; Clause 30 and Schedule 6; Clauses 31 to 33; Clause 36 and Schedule 7; Clause 40; Clause 41; Clause 86; Clauses 87 to 89 and Schedules 16 and 17; Clauses 90 and 91; Clauses 92 to 96 and Schedule 18; Clause 97 and Schedule 19; Clauses 109 to 111 and Schedules 21 and 22; Clause 115 and Schedule 27; Clauses 117 to 121 and Schedules 29 to 32; Clauses 128 to 130; any new Clauses or new Schedules relating to: the impact of any provision on the financial resources of families or to the subject matter of Clauses 1 to 5, 24 to 26, 28, 31 to 33, 40 and 86; the subject matter of Clauses 6 to 14 and Schedule 1; the impact of any provision on regional economic development; tax avoidance or evasion; the subject matter of Clauses 87 to 89 and Schedules 16 and 17 and Clauses 90 and 91; the subject matter of Clauses 92 to 96 and Schedule 18, Clause 97 and Schedule 19 and Clauses 128 to 130)

NOTE

This document includes all amendments tabled to date and includes any withdrawn amendments at the end. The amendments have been arranged in accordance with the Order of the House [13 April 2021].

Finance (No. 2) Bill, *continued*

CLAUSES 1 TO 5, 24 TO 26, 28, 31 TO 33, 40 AND 86; ANY NEW CLAUSES OR NEW SCHEDULES RELATING TO THE IMPACT OF ANY PROVISION ON THE FINANCIAL RESOURCES OF FAMILIES OR TO THE SUBJECT MATTER OF THOSE CLAUSES

John McDonnell
Richard Burgon
Jon Trickett
Rachel Hopkins
Ian Byrne
Kate Osborne

Zarah Sultana
Claudia Webbe
Ms Diane Abbott

Beth Winter
Apsana Begum
Kim Johnson

Paula Barker
Dawn Butler
Bell Ribeiro-Addy

2

☆ Clause 5, page 2, line 16, leave out “2022-23”

Member’s explanatory statement

This amendment would mean that the freezing of tax thresholds at 2021-22 levels did not apply until 2023-24.

John McDonnell
Richard Burgon
Jon Trickett
Rachel Hopkins
Ian Byrne
Kate Osborne

Zarah Sultana
Claudia Webbe
Ms Diane Abbott

Beth Winter
Apsana Begum
Kim Johnson

Paula Barker
Dawn Butler
Bell Ribeiro-Addy

3

☆ Clause 5, page 2, line 18, leave out “2022-23”

Member’s explanatory statement

See the explanatory statement for Amendment 2.

John McDonnell
Richard Burgon
Jon Trickett
Rachel Hopkins
Ian Byrne
Kate Osborne

Zarah Sultana
Claudia Webbe
Ms Diane Abbott

Beth Winter
Apsana Begum
Kim Johnson

Paula Barker
Dawn Butler
Bell Ribeiro-Addy

4

☆ Clause 5, page 2, line 25, leave out “2022-23”

Member’s explanatory statement

See the explanatory statement for Amendment 2.

Finance (No. 2) Bill, *continued*

John McDonnell
Richard Burgon
Jon Trickett
Rachel Hopkins
Ian Byrne
Kate Osborne

Zarah Sultana
Claudia Webbe
Ms Diane Abbott

Beth Winter
Apsana Begum
Kim Johnson

Paula Barker
Dawn Butler
Bell Ribeiro-Addy

1

☆ Page 2, line 15, leave out Clause 5

Member's explanatory statement

This amendment would ensure that the thresholds for the personal allowance and for the higher rate of income tax rise in line with inflation as per the Income Tax Act 2007.

Alison Thewliss
Peter Grant
Owen Thompson

93

★ Clause 26, page 19, line 3, at end insert “, or for the presence of antibodies to SARS-CoV-2”

Alison Thewliss
Peter Grant
Owen Thompson

92

★ Clause 31, page 20, line 13, at end insert “, where the person who received the payment is not a qualifying person by virtue of Paragraph 5 of the direction given by the Treasury under section 76 of the Coronavirus Act 2020”

Bell Ribeiro-Addy
Richard Burgon
Ian Mearns
Ian Byrne
Zarah Sultana
Ms Diane Abbott

Claudia Webbe
John McDonnell
Mick Whitley

Dawn Butler
Tahir Ali

Kate Osborne
Apsana Begum

15

☆ Clause 31, page 20, line 13, at end insert—

“(4) The Chancellor of the Exchequer must, no later than 5 April 2022, lay before the House of Commons an equalities impact assessment of the provisions of this section, which must cover the impact of the provisions on—

- (a) households at different levels of income,
- (b) people with protected characteristics (within the meaning of the Equality Act 2010),

Finance (No. 2) Bill, continued

- (c) the Treasury’s compliance with the public sector equality duty under section 149 of the Equality Act 2010,
- (d) equality in different parts of the United Kingdom and different regions of England, and
- (e) child poverty.”

John McDonnell
Richard Burgon
Jon Trickett
Rachel Hopkins
Ian Byrne
Kate Osborne

Zarah Sultana
Claudia Webbe
Ms Diane Abbott

Beth Winter
Apsana Begum
Kim Johnson

Paula Barker
Dawn Butler
Bell Ribeiro-Addy

NC3

☆ To move the following Clause—

“Equalisation of capital gains tax rates with income tax rates

- (1) The Secretary of State shall, before 1 April 2022, publish a report on the impact of aligning the rates for capital gains tax with the rates for income tax.
- (2) The report in subsection (1) shall include consideration of the impact on—
 - (a) tax revenues of such an alignment,
 - (b) revenues lost or gained due to tax avoidance, and
 - (c) productivity levels within the UK economy.”

Member’s explanatory statement

This new clause would require the Secretary of State to publish a report about the impact of taxing income derived from capital gains at the same rate as income derived from work and savings.

Richard Burgon
John McDonnell
Ms Diane Abbott
Jeremy Corbyn
Bell Ribeiro-Addy
Jon Trickett

Ian Lavery
Nadia Whittome
Ian Mearns
Mary Kelly Foy

Apsana Begum
Ian Byrne
Mick Whitley
Dawn Butler

Claudia Webbe
Kate Osborne
Zarah Sultana

NC7

☆ To move the following Clause—

“Assessment of revenue effects of supplementary income tax rate

The Chancellor of the Exchequer must, no later than 31 October 2021, lay before the House of Commons an assessment of the effects on tax revenues of

Finance (No. 2) Bill, continued

introducing a supplementary rate of income tax, charged at a rate of 55%, above a threshold of £200,000.”

Member’s explanatory statement

This new clause would require the Government to publish an assessment of the effect on tax revenues of introducing a 55% income tax rate on income over £200,000.

Bell Ribeiro-Addy
Zarah Sultana
Apsana Begum
Claudia Webbe
Richard Burgon
Ian Byrne

Jon Trickett
Dawn Butler
Mary Kelly Foy
Ms Diane Abbott
John McDonnell

Mick Whitley
Grahame Morris
Nadia Whittome
Beth Winter

Ian Mearns
Kate Osborne
Jeremy Corbyn
Ian Lavery

NC8

☆ To move the following Clause—

“Equalities impact assessment and distributional analysis of tax thresholds

The Chancellor of the Exchequer must, no later than 5 April 2022, lay before the House of Commons an equalities impact assessment of existing income tax thresholds and a distributional analysis of—

- (a) the effect of reducing the income tax threshold for the additional rate to £80,000, and
- (b) the effect of introducing a supplementary rate of income tax, charged at a rate of 50%, above a threshold of £125,000.”

Alison Thewliss
Peter Grant
Owen Thompson

NC10

★ To move the following Clause—

“Review of changes to coronavirus support payments etc

- (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 coronavirus support payments etc by sections 31, 32 and 33 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,
 - (d) GDP growth, and

Finance (No. 2) Bill, continued

- (e) poverty.
- (3) A review under this section must consider the following scenarios—
 - (a) the coronavirus job retention scheme and the self-employment income support scheme are continued until 30th September 2021, and
 - (b) the coronavirus job retention scheme and self-employment income support scheme are continued until 31st December 2021.
- (4) 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.”

Alison Thewliss
Peter Grant
Owen Thompson

NC11

★ To move the following Clause—

“Review of changes relating to cycles and cyclist’s safety equipment

- (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 25 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,
 - (d) GDP growth,
 - (e) poverty, and
 - (f) carbon emissions.
- (3) A review under this section must consider the following scenarios—
 - (a) the cost of a cycle is made an allowable expense on self-assessment tax return forms, and
 - (b) the cost of a cycle is not an allowable expense on self-assessment tax return forms.
- (4) In this section—
 - “parts of the United Kingdom” means—
 - (a) England,
 - (b) Scotland,
 - (c) Wales, and
 - (d) Northern Ireland;

Finance (No. 2) Bill, continued

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

Alison Thewliss
Peter Grant
Owen Thompson

NC12

★ To move the following Clause—

“Review of impact of Section 40 on equalities

- (1) The Chancellor of the Exchequer must conduct an equality impact assessment of section 40 and lay this before the House of Commons within six months of Royal Assent.
- (2) This assessment must consider the expected impact of section 40 on individuals and groups with protected characteristics under the Equality Act 2010.”

Member’s explanatory statement

This new clause would require the Chancellor of the Exchequer to review the impact of Clause 40 on equalities.

Alison Thewliss
Peter Grant
Owen Thompson

NC22

★ To move the following Clause—

“Review of impact of section 40

- (1) The Chancellor of the Exchequer must review the impact of section 40 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) the regional distribution of capital gains in the UK, and
 - (b) projected receipts.
- (3) A review under this section must consider the following scenarios—
 - (a) capital gains tax rates are changed so as to be equal to those of income tax, and
 - (b) capital gains tax rates remain at the level in this Act.”

Finance (No. 2) Bill, continued

Keir Starmer
 Anneliese Dodds
 James Murray
 Abena Oppong-Asare
 Pat McFadden
 Mr Nicholas Brown

NC23

★ To move the following Clause—

“Equality impact analysis

- (1) The Chancellor of the Exchequer must review the equality impact of sections 1 to 5, 24 to 26, 28, 31 to 33, 40 and 86 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—
 - (a) the impact of those sections on households at different levels of income,
 - (b) the impact of those sections on people with protected characteristics (within the meaning of the Equality Act 2010),
 - (c) the impact of those sections on the Treasury’s compliance with the public sector equality duty under section 149 of the Equality Act 2010, and
 - (d) the impact of those sections on equality in different parts of the United Kingdom and different regions of England.
- (3) A review under this section must give a separate analysis in relation to the following matters—
 - (a) income tax,
 - (b) employment income,
 - (c) coronavirus support payments,
 - (d) pension schemes,
 - (e) investments, and
 - (f) inheritance tax.
- (4) 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 the Chancellor of the Exchequer to carry out and publish a review of the effects of clauses 1 to 5, 24 to 26, 28, 31 to 33, 40 and 86 of the Bill on equality in relation to households with different levels of income, people with protected characteristics, the Treasury’s public sector equality duty and on a regional basis.

Finance (No. 2) Bill, *continued*

CLAUSES 6 TO 14 AND SCHEDULE 1; ANY NEW CLAUSES OR NEW SCHEDULES RELATING TO THE SUBJECT MATTER OF THOSE CLAUSES AND SCHEDULE

John McDonnell
Richard Burgon
Jon Trickett
Rachel Hopkins
Ian Byrne
Kate Osborne

Zarah Sultana
Claudia Webbe
Ms Diane Abbott

Beth Winter
Apsana Begum
Kim Johnson

Paula Barker
Dawn Butler
Bell Ribeiro-Addy

11

- ☆ Clause 9, page 3, line 35, leave out “130%” and insert “18%”

Member’s explanatory statement

This amendment would reduce the level of the capital allowance super-deductions to the current rate of 18%.

Keir Starmer
Anneliese Dodds
James Murray
Abena Oppong-Asare
Pat McFadden
Mr Nicholas Brown

79

- ★ Clause 9, page 4, line 2, at end insert “provided that any such company which has more than £1 million in qualifying expenditure must also—

- (i) adhere to International Labour Organisation convention 98 on the right to organise and collective bargaining,
- (ii) be certified or be in the process of being certified by the Living Wage Foundation as a living wage employer, and
- (iii) not be liable to the digital services tax”.

Member’s explanatory statement

This amendment would, in respect of companies with qualifying expenditure of over £1 million, add conditions relating to ILO convention 98, the living wage and the digital services tax.

Keir Starmer
Anneliese Dodds
James Murray
Abena Oppong-Asare
Pat McFadden
Mr Nicholas Brown

80

- ★ Clause 9, page 4, line 2, at end insert “provided that any such company which has more than £1 million in qualifying expenditure must also make a climate-related financial disclosure in line with the recommendations of the Task Force on Climate-related Financial Disclosures within the 2021/22 tax year”.

Member’s explanatory statement

This amendment would, in respect of companies with qualifying expenditure of over £1 million, add a condition relating to climate-related financial disclosure to the conditions that must be met in order for expenditure to qualify for super-deductions.

Finance (No. 2) Bill, *continued*

Alison Thewliss
Peter Grant
Owen Thompson

- ★ Clause 9, page 4, line 6, at end insert “, except general exclusion 6” 66

Alison Thewliss
Peter Grant
Owen Thompson

- ★ Clause 9, page 4, line 21, at end insert “, except general exclusion 6” 67

Ben Lake
Liz Saville Roberts
Hywel Williams

- ★ Clause 9, page 5, line 15, at end insert— 53

“(11) The Chancellor of the Exchequer must, no later than 5 April 2022, lay before the House of Commons a report—

- (a) analysing the fiscal and economic effects of Government relief under the capital allowances super-deduction 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—

- (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 capital allowance super-deduction 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.”

Member’s explanatory statement

This amendment would require the Chancellor of the Exchequer to analyse the impact of changes proposed in Clause 9 in terms of impact on the economy and geographical reach and to assess the impact of the capital allowances super-deduction scheme on efforts to mitigate climate change.

Dame Margaret Hodge

- ★ Clause 9, page 5, line 15, at end insert— 78

“(11) Expenditure shall not be qualifying expenditure under this section if it is incurred by a member of a group which is required to publish a tax strategy in compliance with Schedule 19 of the Finance Act 2016, unless any tax strategy published in compliance with that Schedule after the coming into force of this Act includes any relevant country-by-country report.

- (12) “Country-by-country report” has the meaning given by the Taxes (Base Erosion and Profit Shifting) (Country-by-Country Reporting) Regulations 2016.

Finance (No. 2) Bill, continued

- (13) A country-by-country report is relevant if it—
- (a) was filed or required to be filed by the group in compliance with those Regulations on or before the date of publication of the tax strategy, or would have been so required if the head of the group were resident in the United Kingdom for tax purposes, and
 - (b) has not already been included in a tax strategy published by the group.”

Member’s explanatory statement

This amendment would require large multinationals accessing super-deductions to make their country-by-country reporting public.

John McDonnell
Richard Burgon
Jon Trickett
Rachel Hopkins
Ian Byrne
Kate Osborne

Zarah Sultana
Claudia Webbe
Ms Diane Abbott

Beth Winter
Apsana Begum
Kim Johnson

Paula Barker
Dawn Butler
Bell Ribeiro-Addy

5

- ☆ Page 3, line 27, leave out Clause 9

Member’s explanatory statement

This amendment would remove the capital allowance super-deductions.

John McDonnell
Richard Burgon
Jon Trickett
Rachel Hopkins
Ian Byrne
Kate Osborne

Zarah Sultana
Claudia Webbe
Ms Diane Abbott

Beth Winter
Apsana Begum
Kim Johnson

Paula Barker
Dawn Butler
Bell Ribeiro-Addy

6

- ☆ Page 5, line 16, leave out Clause 10

Member’s explanatory statement

See the explanatory statement for Amendment 5.

Alison Thewliss
Peter Grant
Owen Thompson

63

- ★ Clause 11, page 6, line 17, at end insert—

“(6) This section does not apply to a person who is entitled to pay corporation tax at the standard small profits rate, as set out in Part 3A of CTA 2010, as inserted by Schedule 1, for any part of the chargeable period in question.”

Finance (No. 2) Bill, continued

John McDonnell
Richard Burgon
Jon Trickett
Rachel Hopkins
Ian Byrne
Kate Osborne

Zarah Sultana
Claudia Webbe
Ms Diane Abbott

Beth Winter
Apsana Begum
Kim Johnson

Paula Barker
Dawn Butler
Bell Ribeiro-Addy

7

- ☆ Page 5, line 43, leave out Clause 11
Member's explanatory statement
See the explanatory statement for Amendment 5.

John McDonnell
Richard Burgon
Jon Trickett
Rachel Hopkins
Ian Byrne
Kate Osborne

Zarah Sultana
Claudia Webbe
Ms Diane Abbott

Beth Winter
Apsana Begum
Kim Johnson

Paula Barker
Dawn Butler
Bell Ribeiro-Addy

8

- ☆ Page 6, line 18, leave out Clause 12
Member's explanatory statement
See the explanatory statement for Amendment 5.

John McDonnell
Richard Burgon
Jon Trickett
Rachel Hopkins
Ian Byrne
Kate Osborne

Zarah Sultana
Claudia Webbe
Ms Diane Abbott

Beth Winter
Apsana Begum
Kim Johnson

Paula Barker
Dawn Butler
Bell Ribeiro-Addy

9

- ☆ Page 7, line 23, leave out Clause 13
Member's explanatory statement
See the explanatory statement for Amendment 5.
-

Finance (No. 2) Bill, continued

John McDonnell
Richard Burgon
Jon Trickett
Rachel Hopkins
Ian Byrne
Kate Osborne

Zarah Sultana
Claudia Webbe
Ms Diane Abbott

Beth Winter
Apsana Begum
Kim Johnson

Paula Barker
Dawn Butler
Bell Ribeiro-Addy

☆ Page 8, line 17, leave out Clause 14

Member's explanatory statement

See the explanatory statement for Amendment 5.

10

Alison Thewliss
Peter Grant
Owen Thompson

★ Schedule 1, page 85, line 10, leave out from “period if it is” to the end of line 30 and insert “a related 51% group company of that company in the accounting period as defined by section 279F of CTA 2010.”

55

Alison Thewliss
Peter Grant
Owen Thompson

★ Schedule 1, page 93, line 29, leave out paragraph 11

56

Alison Thewliss
Peter Grant
Owen Thompson

★ Schedule 1, page 94, line 5, leave out sub-sub-paragraph (a)

57

Alison Thewliss
Peter Grant
Owen Thompson

★ Schedule 1, page 94, line 14, leave out sub-paragraph (3)

58

Alison Thewliss
Peter Grant
Owen Thompson

★ Schedule 1, page 94, line 22, leave out paragraphs 15 to 17

59

Alison Thewliss
Peter Grant
Owen Thompson

★ Schedule 1, page 95, line 5, leave out paragraphs 20 and 21

60

Finance (No. 2) Bill, *continued*

Alison Thewliss
Peter Grant
Owen Thompson

★ Schedule 1, page 96, line 44, leave out paragraph 30

61

Alison Thewliss
Peter Grant
Owen Thompson

★ Schedule 1, page 97, line 22, leave out sub-sub-paragraph (e)

62

John McDonnell
Richard Burgon
Jon Trickett
Rachel Hopkins
Ian Byrne
Kate Osborne

Zarah Sultana
Claudia Webbe
Ms Diane Abbott

Beth Winter
Apsana Begum
Kim Johnson

Paula Barker
Dawn Butler
Bell Ribeiro-Addy

NC1

☆ To move the following Clause—

“Eligibility for super-deduction

- (1) Only employers that meet the criteria in subsection (2) shall benefit from the provisions relating to capital allowance super-deductions in sections 9 to 14.
- (2) The criteria are that the employer—
 - (a) recognises a trade union for the purposes of collective bargaining with its workforce, and
 - (b) is certified by the Living Wage Foundation as a living wage employer.”

Member’s explanatory statement

This new clause would ensure that only employers that pay their staff the living wage and recognise trade union(s) would be eligible to receive the capital allowance super-deductions.

Finance (No. 2) Bill, continued

John McDonnell
Richard Burgon
Jon Trickett
Rachel Hopkins
Ian Byrne
Kate Osborne

Zarah Sultana
Claudia Webbe
Ms Diane Abbott

Beth Winter
Apsana Begum
Kim Johnson

Paula Barker
Dawn Butler
Bell Ribeiro-Addy

NC2

☆ To move the following Clause—

“Commencement of super-deduction provisions (report on the benefits)

- (1) Sections 9 to 14 shall not come into force until—
 - (a) the Secretary of State has commissioned and published a report that sets out the expected benefits of the capital allowance super-deductions in this Act, and
 - (b) the report has been debated and approved by the House of Commons.
- (2) The report in subsection (1) must consider what the economic and social benefits would be of making the capital allowance super-deductions contingent on employers meeting criteria relating to—
 - (a) reducing their carbon emissions,
 - (b) tackling the gender pay gap,
 - (c) paying the right amount of tax and not using avoidance schemes,
 - (d) paying the living wage to all directly employed staff, and
 - (e) recognising trade unions for the purposes of collective bargaining.”

Member’s explanatory statement

This new clause would mean that sections 9 to 14 could not come into force until the Government had published a report examining the economic, social and environmental effect of the capital allowance super-deductions and that report had been agreed by the House of Commons.

John McDonnell
Richard Burgon
Jon Trickett
Rachel Hopkins
Ian Byrne
Kate Osborne

Zarah Sultana
Claudia Webbe
Ms Diane Abbott

Beth Winter
Apsana Begum
Kim Johnson

Paula Barker
Dawn Butler
Bell Ribeiro-Addy

NC6

☆ To move the following Clause—

“Commencement of super-deduction provisions (report on existing capital allowances)

- (1) Sections 9 to 14 shall not come into force until the conditions in subsection (2) are met.

Finance (No. 2) Bill, *continued*

- (2) The conditions are—
- (a) the Public Accounts Committee has reported on the effectiveness of the existing capital allowances listed in section 2(3) of the Capital Allowances Act 2001, and
 - (b) at least one week after the publication of the report in paragraph (a) both House of Parliament have agreed that sections 9 to 14 shall come into force.”

Bell Ribeiro-Addy
Richard Burgon
Ian Mearns
Ian Byrne
Zarah Sultana
Ms Diane Abbott

Claudia Webbe
John McDonnell
Mick Whitley

Dawn Butler
Tahir Ali

Kate Osborne
Apsana Begum

NC9

- ☆ To move the following Clause—

“Equalities impact assessment of capital allowance super-deductions

The Chancellor of the Exchequer must, no later than 5 April 2022, lay before the House of Commons an equalities impact assessment of the provisions sections 9 to 14 of this Act, which must cover the impact of those provisions on—

- (a) households at different levels of income,
- (b) people with protected characteristics (within the meaning of the Equality Act 2010),
- (c) the Treasury’s compliance with the public sector equality duty under section 149 of the Equality Act 2010,
- (d) equality in different parts of the United Kingdom and different regions of England, and
- (e) child poverty.”

Alison Thewliss
Peter Grant
Owen Thompson

NC13

- ★ To move the following Clause—

“Review of impact of sections 6 to 14

- (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 sections 6 to 14 and schedule 1 and lay a report of that review before the House of Commons within six months of the passing of this Act.

Finance (No. 2) Bill, continued

- (2) A review under this section must consider the effects of the provisions on—
- (a) business investment,
 - (b) employment,
 - (c) productivity,
 - (d) GDP growth, and
 - (e) poverty.
- (3) A review under this section must consider the following scenarios—
- (a) the United Kingdom reaches an agreement with OECD countries on a minimum international level of corporation tax, and
 - (b) the United Kingdom does not reach an agreement with OECD countries on a minimum international level of corporation tax.
- (4) 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.”

Dan Carden

NC17

- ★ To move the following Clause—

“Review of impact on corporation tax revenues of global minimum rate of corporation tax

The Chancellor of the Exchequer must within six months of Royal Assent lay before the House of Commons an assessment of the effect on corporation tax revenues in 2022 and 2023 of a global minimum corporation tax rate set at 21%.”

Member’s explanatory statement

This new clause would require the Government to publish an assessment of the revenue effect of a global minimum corporation tax rate of 21%.

Alison Thewliss
Peter Grant
Owen Thompson

NC19

- ★ To move the following Clause—

“Review of impact of sections 6 to 14 (No. 2)

- (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 sections 6 to 14 and schedule 1 and lay a report of that review before the House of Commons within six months of the passing of this Act.

Finance (No. 2) Bill, *continued*

- (2) A review under this section must consider the effects of the provisions on—
- (a) business investment,
 - (b) employment,
 - (c) productivity,
 - (d) GDP growth, and
 - (e) poverty.
- (3) A review under this section must compare the estimated impact of corporation tax rate changes in this Act with the impact on investment from the changes to the corporation tax rate in each of the last 12 years.
- (4) 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”

Alison Thewliss
Peter Grant
Owen Thompson

NC20

- ★ To move the following Clause—

“Review of impact of section 7

- (1) The Chancellor of the Exchequer must review the impact of section 7 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) the link between corporate profit rates and ownership, and
 - (b) the cost of re-introducing a small profits rate.”

Alison Thewliss
Peter Grant
Owen Thompson

NC21

- ★ To move the following Clause—

“Review of impact of sections 6 to 14 (No. 3)

- (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 sections 6 to 14 and schedule 1 and lay a report of that review before the House of Commons within six months of the passing of this Act.

Finance (No. 2) Bill, continued

- (2) A review under this section must consider the effects of the provisions on—
- (a) progress towards the Government’s climate emissions targets, and
 - (b) capital investment in each of the next five years.
- (3) A review under this section must include—
- (a) the distribution of super-deduction claims by company size, and
 - (b) estimated tax fraud.
- (4) In this section—
- “parts of the United Kingdom” means—
- (a) England,
 - (b) Scotland,
 - (c) Scotland,
 - (d) Wales, and
 - (e) Northern Ireland;
- and “regions of England” has the same meaning as that used by the Office for National Statistics.”

Keir Starmer
Anneliese Dodds
James Murray
Abena Oppong-Asare
Pat McFadden
Mr Nicholas Brown

NC24

- ★ To move the following Clause—

“Review of super-deductions

- (1) The Chancellor of the Exchequer must review the impact of sections 9 to 14 and schedule 1 of this Act and lay a report of that review before the House of Commons within six months of the passing of this Act, and then annually for five further years.
- (2) A review under this section must estimate the expected impact of sections 9 to 14 and schedule 1 on—
 - (a) levels of artificial tax avoidance,
 - (b) levels of tax evasion,
 - (c) reducing the tax gap in each tax year from 2021–22 to 2025–26, and
 - (d) levels of gross fixed capital formation by businesses in each tax year from 2021–22 to 2025–26.
- (3) The first review under this section must also consider levels of usage of the recovery loan scheme in 2021.”

Member’s explanatory statement

This new clause would require the Government to review the impact of the provisions relating to super-deductions and publish regular reports setting out their findings.

Finance (No. 2) Bill, continued

Richard Burgon
John McDonnell
Jon Trickett
Ms Diane Abbott
Jeremy Corbyn
Zarah Sultana

Bell Ribeiro-Addy

Ian Byrne

NC28

★ To move the following Clause—

“Supplementary corporation tax rate (assessment)

The Chancellor of the Exchequer must, no later than 31 October 2021, lay before the House of Commons an assessment of the effects on tax revenues of introducing a supplementary rate of corporation tax on excess profits made in the period from 1 March 2020 to 31 October 2021 and consequent on the coronavirus pandemic.”

Member’s explanatory statement

This new clause would require the Government to publish an assessment of the effect on tax revenues of introducing a supplementary corporation tax rate on excess profits during the pandemic.”

CLAUSES 109 TO 111 AND SCHEDULES 21 AND 22; AND NEW CLAUSES OR NEW SCHEDULES RELATING TO THE IMPACT OF ANY PROVISION ON REGIONAL ECONOMIC DEVELOPMENT

Ben Lake
Liz Saville Roberts
Hywel Williams

54

★ Clause 109, page 63, line 14, at end insert—

“(1A) An area may be designated as a special area under subsection (1) only when a motion approving the creation of freeport tax sites has been agreed by—

- (a) Senedd Cymru,
- (b) the Scottish Parliament, and
- (c) the Northern Ireland Assembly.”

Member’s explanatory statement

This amendment would require the Treasury to have received consent from the devolved parliaments on proposed freeport measures before introducing the changes proposed by Clause 109.

Finance (No. 2) Bill, continued

John McDonnell
Richard Burgon
Jon Trickett
Rachel Hopkins
Ian Byrne
Kate Osborne

Zarah Sultana
Claudia Webbe
Ms Diane Abbott

Beth Winter
Apsana Begum
Kim Johnson

Paula Barker
Dawn Butler
Bell Ribeiro-Addy

12

☆ Page **63**, line **9**, leave out Clause 109

Member's explanatory statement

This amendment would prevent the creation of Freeport tax sites in the UK.

John McDonnell
Richard Burgon
Jon Trickett
Rachel Hopkins
Ian Byrne
Kate Osborne

Zarah Sultana
Claudia Webbe
Ms Diane Abbott

Beth Winter
Apsana Begum
Kim Johnson

Paula Barker
Dawn Butler
Bell Ribeiro-Addy

13

☆ Page **63**, line **31**, leave out Clause 110

Member's explanatory statement

See the explanatory statement for Amendment 12.

John McDonnell
Richard Burgon
Jon Trickett
Rachel Hopkins
Ian Byrne
Kate Osborne

Zarah Sultana
Claudia Webbe
Ms Diane Abbott

Beth Winter
Apsana Begum
Kim Johnson

Paula Barker
Dawn Butler
Bell Ribeiro-Addy

14

☆ Page **64**, line **1**, leave out Clause 111

Member's explanatory statement

See the explanatory statement for Amendment 12.

Finance (No. 2) Bill, *continued*

The Chancellor of the Exchequer

43

- ★ Schedule 22, page 231, line 8, at end insert—

“(ca) Part 3A makes provision about cases involving alternative finance arrangements,”

Member’s explanatory statement

This amendment is consequential on Amendment 52.

The Chancellor of the Exchequer

44

- ★ Schedule 22, page 231, line 26, after “sites),” insert “other than in a case to which paragraph 10A of that Schedule (alternative finance arrangements) applies,”

Member’s explanatory statement

This amendment is consequential on Amendment 45.

The Chancellor of the Exchequer

45

- ★ Schedule 22, page 231, line 39, at end insert—

“3A In section 81ZA (alternative finance arrangements: return where relief withdrawn)—

- (a) in subsection (1), after “arrangements)” insert “or under Part 3 of Schedule 6C (relief for freeport tax sites) in a case to which paragraph 10A of that Schedule (alternative finance arrangements) applies”,

- (b) in subsection (3) (as substituted by Schedule 17 to this Act), at the end insert—

“(c) where the relief was given under Part 2 of Schedule 6C, the last day in the control period on which the qualifying freeport land is used exclusively in a qualifying manner.”, and

- (c) after subsection (6) insert—

“(6A) Terms used in paragraph (c) of subsection (3) which are defined for the purposes of Schedule 6C have the same meaning in that paragraph as they have in that Schedule (as modified by paragraph 10A of that Schedule).

(6B) Paragraph 10 of Schedule 6C (as modified by paragraph 10A of that Schedule) applies for the purposes of subsection (3)(c) as it applies for the purposes of paragraph 8 of that Schedule.”

3B In section 85(3) (liability for tax), after “arrangements)” insert “or under Part 3 of Schedule 6C (relief for freeport tax sites) in a case to which paragraph 10A of that Schedule (alternative finance arrangements) applies”.”

Member’s explanatory statement

This amendment makes provision about returns, and liability to SDLT, in cases in which relief under Schedule 6C to the Finance Act 2003 (freeport tax sites, inserted by Schedule 22 to the Bill) is withdrawn in cases involving certain alternative finance arrangements.

The Chancellor of the Exchequer

46

- ★ Schedule 22, page 231, line 40, leave out “86(2)” and insert “86”

Member’s explanatory statement

This amendment is consequential on Amendment 49.

Finance (No. 2) Bill, continued

The Chancellor of the Exchequer

47

- ★ Schedule 22, page 231, line 40, after “tax)” insert “—
(a) in subsection (2),”

Member’s explanatory statement*This amendment is consequential on Amendment 49.*

The Chancellor of the Exchequer

48

- ★ Schedule 22, page 231, line 41, after “sites),” insert “other than in a case to which paragraph 10A of that Schedule (alternative finance arrangements) applies,”

Member’s explanatory statement*This amendment is consequential on Amendment 49.*

The Chancellor of the Exchequer

49

- ★ Schedule 22, page 231, line 41, at end insert “, and
(b) in subsection (2A), after “arrangements)” insert “or under Part 3 of Schedule 6C (relief for freeport tax sites) in a case to which paragraph 10A of that Schedule (alternative finance arrangements) applies.”

Member’s explanatory statement*This amendment makes provision about the payment of SDLT in cases in which relief under Schedule 6C to the Finance Act 2003 (freeport tax sites, inserted by Schedule 22 to the Bill) is withdrawn in cases involving certain alternative finance arrangements.*

The Chancellor of the Exchequer

50

- ★ Schedule 22, page 231, line 44, after “sites),” insert “other than in a case to which paragraph 10A of that Schedule (alternative finance arrangements) applies,”

Member’s explanatory statement*This amendment is consequential on Amendment 51.*

The Chancellor of the Exchequer

51

- ★ Schedule 22, page 232, line 2, after “81(1A);” insert—
“(azab) in the case of an amount payable because relief is withdrawn under Part 3 of Schedule 6C (relief for freeport tax sites) in a case to which paragraph 10A of that Schedule (alternative finance arrangements) applies, the date which is the date of the disqualifying event for the purposes of section 81ZA (see subsection (3) of that section);”

Member’s explanatory statement*This amendment makes provision about interest on unpaid SDLT in cases in which relief under Schedule 6C to the Finance Act 2003 (freeport tax sites, inserted by Schedule 22 to the Bill) is withdrawn in cases involving certain alternative finance arrangements.*

Finance (No. 2) Bill, *continued*

The Chancellor of the Exchequer

52

★ Schedule 22, page 235, line 25, at end insert—

“PART 3A

ALTERNATIVE FINANCE ARRANGEMENTS

Cases involving alternative finance arrangements

- 10A (1) This paragraph applies where either of the following applies—
- (a) section 71A (land sold to financial institution and leased to person), or
 - (b) section 73 (land sold to financial institution and re-sold to person) applies.
- (2) This paragraph applies for the purposes of determining—
- (a) whether relief is available under Part 2 of this Schedule for the first transaction, and
 - (b) whether relief allowed for the first transaction is withdrawn under Part 3 of this Schedule.
- (3) For those purposes this Schedule has effect as if—
- (a) references to the purchaser were references to the relevant person, and
 - (b) the reference in paragraph 3(2)(d) to land held (as stock of the business) for resale without development or redevelopment were a reference to land held in that manner by the relevant person.
- (4) The first transaction does not qualify for relief under Part 2 of this Schedule except where it does so by virtue of this paragraph.
- (5) In this paragraph—
- “the first transaction” has the same meaning as in section 71A or 73 (as appropriate);
- “the relevant person” means the person, other than the financial institution, who entered into the arrangements mentioned in section 71A(1) or 73(1) (as appropriate).”

Member’s explanatory statement

This amendment makes provision about the operation of Schedule 6C to the Finance Act 2003 (relief from SDLT for freeport tax sites, inserted by Schedule 22 to the Bill) in cases involving certain alternative finance arrangements.

Finance (No. 2) Bill, continued

John McDonnell
Richard Burgon
Jon Trickett
Rachel Hopkins
Ian Byrne
Kate Osborne

Zarah Sultana
Claudia Webbe
Ms Diane Abbott

Beth Winter
Apsana Begum
Kim Johnson

Paula Barker
Dawn Butler
Bell Ribeiro-Addy

NC4

☆ To move the following Clause—

“Eligibility for capital allowances and stamp duty land tax relief for freeport tax sites

No company shall benefit financially from the provisions of sections 110 or 111 unless the company—

- (a) recognises a trade union for the purposes of collective bargaining with its workforce,
- (b) is certified by the Living Wage Foundation as a living wage employer,
- (c) is taking steps to reduce its carbon emissions, and
- (d) publishes details of its equality pay gap and has a published plan to reduce disparities.”

Member’s explanatory statement

This new clause would ensure that the benefits of capital allowances and relief from stamp duty land tax for freeport sites apply only to companies that meet certain criteria relating to employment and environmental credentials.

John McDonnell
Richard Burgon
Jon Trickett
Rachel Hopkins
Ian Byrne
Kate Osborne

Zarah Sultana
Claudia Webbe
Ms Diane Abbott

Beth Winter
Apsana Begum
Kim Johnson

Paula Barker
Dawn Butler
Bell Ribeiro-Addy

NC5

☆ To move the following Clause—

“Economic impact of freeport tax sites

- (1) Sections 109 to 111 shall not come into force until—
 - (a) the Secretary of State has published a report, commissioned from the Office for Budget Responsibility, and
 - (b) the report has been debated and approved by both Houses of Parliament.
- (2) The report in subsection (1) must forecast the impact of sections 109 to 111 on—
 - (a) Government and local council tax revenues,
 - (b) economic activity in areas directly adjacent to proposed freeports,
 - (c) UK productivity, and

Finance (No. 2) Bill, continued

(d) the provision of jobs paid at more than the median wage.”

Member’s explanatory statement

The new clause would make the commencements of sections 109 to 111 dependent on the Secretary of State publishing a report that would allow Members of Parliament to assess the economic case for freeports, and on both Houses agreeing that report.

Keir Starmer
Anneliese Dodds
James Murray
Abena Oppong-Asare
Pat McFadden
Mr Nicholas Brown

NC25

★ To move the following Clause—

“Review of freeports

- (1) The Chancellor of the Exchequer must review the impact of sections 109 to 111 and schedules 21 and 22 of this Act and lay a report of that review before the House of Commons within six months of the passing of this Act and once a year thereafter.
- (2) A review under this section must estimate the expected impact of sections 109 to 111 and schedules 21 and 22 on—
 - (a) job creation within the sites designated as freeports and across the UK as a whole,
 - (b) revenue from corporation tax and stamp duty land tax within the sites designated as freeports and across the UK as a whole,
 - (c) levels of artificial tax avoidance and tax evasion across the UK as a whole,
 - (d) levels of criminal activity,
 - (e) the necessary level of staffing for HMRC and the UK Border Force, and
 - (f) departmental spending by HMRC and other departments on enforcement.”

Member’s explanatory statement

This new clause would require the Government to review the impact of the provisions of the Act introducing freeports and publish regular reports setting out the findings.

Finance (No. 2) Bill, *continued*

CLAUSE 30 AND SCHEDULE 6; CLAUSE 36 AND SCHEDULE 7; CLAUSE 41; CLAUSE 115 AND SCHEDULE 27; CLAUSES 117 TO 121 AND SCHEDULES 29 TO 32; ANY NEW CLAUSES OR NEW SCHEDULES RELATING TO TAX AVOIDANCE OR EVASION

Alison Thewliss
Peter Grant
Owen Thompson

★ Schedule 6, page 120, line 25, leave out “with” and insert “six months before” 68

Alison Thewliss
Peter Grant
Owen Thompson

★ Schedule 6, page 120, line 30, leave out “with” and insert “six months before” 69

Alison Thewliss
Peter Grant
Owen Thompson

★ Schedule 6, page 120, line 35, leave out “any further” 82

Alison Thewliss
Peter Grant
Owen Thompson

★ Schedule 6, page 120, line 36, at end insert “exceeding £3,000,000” 83

Alison Thewliss
Peter Grant
Owen Thompson

★ Schedule 6, page 121, line 1, leave out “ceases to be” and insert “is not” 70

Alison Thewliss
Peter Grant
Owen Thompson

★ Schedule 6, page 121, line 2, after “time” insert “, but the body or person expects it to be met at any time,” 71

Alison Thewliss
Peter Grant
Owen Thompson

★ Schedule 6, page 121, line 3, leave out “continuing to be” and insert “being” 72

Alison Thewliss
Peter Grant
Owen Thompson

★ Schedule 6, page 121, line 4, leave out “any further” 84

Finance (No. 2) Bill, *continued*

- Alison Thewliss
Peter Grant
Owen Thompson
- ★ Schedule 6, page 121, line 5, at end insert “exceeding £3,000,000” 85
- Alison Thewliss
Peter Grant
Owen Thompson
- ★ Schedule 6, page 121, line 8, leave out paragraph 3 73
- Alison Thewliss
Peter Grant
Owen Thompson
- ★ Schedule 6, page 121, line 20, leave out paragraph 4 74
- Alison Thewliss
Peter Grant
Owen Thompson
- ★ Schedule 6, page 121, line 25, leave out “Subsection” and insert “Subsections 4A and” 86
- Alison Thewliss
Peter Grant
Owen Thompson
- ★ Schedule 6, page 121, line 25, leave out “applies” and insert “apply” 87
- Alison Thewliss
Peter Grant
Owen Thompson
- ★ Schedule 6, page 121, line 26, at end insert—
“(4A) The contractor is exempt from the requirement to deduct sums from contract payments under subsection (1) for a period not exceeding 90 days.” 88
- Alison Thewliss
Peter Grant
Owen Thompson
- ★ Schedule 6, page 121, line 29, at beginning insert “further” 89
- Alison Thewliss
Peter Grant
Owen Thompson
- ★ Schedule 6, page 121, line 35, after “notice,” insert “but after the period in subsection (4A)” 90

Finance (No. 2) Bill, continued

Alison Thewliss
Peter Grant
Owen Thompson

91

- ★ Schedule 6, page 121, line 37, after “notice,” insert “but after the period in subsection (4A)”

Alison Thewliss
Peter Grant
Owen Thompson

75

- ★ Schedule 6, page 123, line 17, leave out “2021-22” and insert “2022-23”

Alison Thewliss
Peter Grant
Owen Thompson

76

- ★ Schedule 6, page 123, line 20, leave out “2021” and insert “2022”

The Chancellor of the Exchequer

17

- ★ Schedule 7, page 123, line 37, leave out paragraph 2

Member’s explanatory statement

This amendment removes amendments to Part 6A of the Taxation (International and Other Provisions) Act 2010 relating to the definitions of “hybrid entity” and “investor”.

The Chancellor of the Exchequer

18

- ★ Schedule 7, page 127, leave out lines 18 to 26 and insert—

“(3) The corporate rescue conditions are—

- (a) that the payer and the payee became connected as a result of an arm’s length transaction, and
- (b) immediately before the payer and the payee became connected it was reasonable to assume that, without the connection and any arrangements of which the connection forms part, there would be a material risk that at some point within the next 12 months the payee would have been unable to pay its debts.”

Member’s explanatory statement

This amendment makes a minor clarification of what is meant by the “corporate rescue conditions” in connection with the treatment of deductions for the release of a debt.

The Chancellor of the Exchequer

19

- ★ Schedule 7, page 128, line 23, leave out “under the law of any territory,”

Member’s explanatory statement

This amendment is part of a series of minor amendments to Schedule 7 (Hybrid and other mismatches) that move text for readability.

Finance (No. 2) Bill, *continued*

- The Chancellor of the Exchequer 20
- ★ Schedule 7, page 128, line 24, after “deducted” insert “under the law of any territory”
Member’s explanatory statement
This amendment is part of a series of minor amendments to Schedule 7 (Hybrid and other mismatches) that move text for readability.
- The Chancellor of the Exchequer 21
- ★ Schedule 7, page 128, line 24, leave out “or body”
Member’s explanatory statement
This amendment is to ensure consistency with the existing provisions of Part 6A of the Taxation (International and Other Provisions) Act 2010 (where reference to a person includes reference to a body).
- The Chancellor of the Exchequer 22
- ★ Schedule 7, page 128, line 27, leave out “or body”
Member’s explanatory statement
This amendment is to ensure consistency with the existing provisions of Part 6A of the Taxation (International and Other Provisions) Act 2010 (where reference to a person includes reference to a body).
- The Chancellor of the Exchequer 23
- ★ Schedule 7, page 128, line 29, leave out “or body”
Member’s explanatory statement
This amendment is to ensure consistency with the existing provisions of Part 6A of the Taxation (International and Other Provisions) Act 2010 (where reference to a person includes reference to a body).
- The Chancellor of the Exchequer 24
- ★ Schedule 7, page 128, line 30, leave out “or body”
Member’s explanatory statement
This amendment is to ensure consistency with the existing provisions of Part 6A of the Taxation (International and Other Provisions) Act 2010 (where reference to a person includes reference to a body).
- The Chancellor of the Exchequer 25
- ★ Schedule 7, page 128, line 45, leave out “or body”
Member’s explanatory statement
This amendment is to ensure consistency with the existing provisions of Part 6A of the Taxation (International and Other Provisions) Act 2010 (where reference to a person includes reference to a body).
- The Chancellor of the Exchequer 26
- ★ Schedule 7, page 128, line 46, leave out “or body”
Member’s explanatory statement
This amendment is to ensure consistency with the existing provisions of Part 6A of the Taxation

Finance (No. 2) Bill, continued

(International and Other Provisions) Act 2010 (where reference to a person includes reference to a body).

The Chancellor of the Exchequer

27

- ★ Schedule 7, page 129, line 2, at end insert—

“(9A) Section 259B(5) (determination of residence where no concept of residence for tax purposes exists) applies to the reference in subsection (7)(b) to a person’s residence for tax purposes in a zero-tax territory as it applies to references to a person’s residence for tax purposes in Chapter 8 or 11.”

Member’s explanatory statement

This amendment deals with the possibility that a zero-tax territory may not recognise the concept of residence for tax purposes.

The Chancellor of the Exchequer

28

- ★ Schedule 7, page 129, line 3, leave out “or body”

Member’s explanatory statement

This amendment is to ensure consistency with the existing provisions of Part 6A of the Taxation (International and Other Provisions) Act 2010 (where reference to a person includes reference to a body).

The Chancellor of the Exchequer

29

- ★ Schedule 7, page 130, line 44, leave out “under the law of any territory,”

Member’s explanatory statement

This amendment is part of a series of minor amendments to Schedule 7 (Hybrid and other mismatches) that move text for readability.

The Chancellor of the Exchequer

30

- ★ Schedule 7, page 130, line 45, after “deducted” insert “under the law of any territory”

Member’s explanatory statement

This amendment is part of a series of minor amendments to Schedule 7 (Hybrid and other mismatches) that move text for readability.

The Chancellor of the Exchequer

31

- ★ Schedule 7, page 130, line 45, leave out “or body”

Member’s explanatory statement

This amendment is to ensure consistency with the existing provisions of Part 6A of the Taxation (International and Other Provisions) Act 2010 (where reference to a person includes reference to a body).

The Chancellor of the Exchequer

32

- ★ Schedule 7, page 131, line 1, leave out “or body”

Member’s explanatory statement

This amendment is to ensure consistency with the existing provisions of Part 6A of the Taxation (International and Other Provisions) Act 2010 (where reference to a person includes reference to a body).

Finance (No. 2) Bill, continued

The Chancellor of the Exchequer

33

- ★ Schedule 7, page 131, line 3, leave out “or body”

Member’s explanatory statement

This amendment is to ensure consistency with the existing provisions of Part 6A of the Taxation (International and Other Provisions) Act 2010 (where reference to a person includes reference to a body).

The Chancellor of the Exchequer

34

- ★ Schedule 7, page 131, line 4, leave out “or body”

Member’s explanatory statement

This amendment is to ensure consistency with the existing provisions of Part 6A of the Taxation (International and Other Provisions) Act 2010 (where reference to a person includes reference to a body).

The Chancellor of the Exchequer

35

- ★ Schedule 7, page 131, line 19, leave out “or body”

Member’s explanatory statement

This amendment is to ensure consistency with the existing provisions of Part 6A of the Taxation (International and Other Provisions) Act 2010 (where reference to a person includes reference to a body).

The Chancellor of the Exchequer

36

- ★ Schedule 7, page 131, line 20, leave out “or body”

Member’s explanatory statement

This amendment is to ensure consistency with the existing provisions of Part 6A of the Taxation (International and Other Provisions) Act 2010 (where reference to a person includes reference to a body).

The Chancellor of the Exchequer

37

- ★ Schedule 7, page 131, line 22, at end insert—

“(4A) Section 259B(5) (determination of residence where no concept of residence for tax purposes exists) applies to the reference in subsection (2)(b) to a person’s residence for tax purposes in a zero-tax territory as it applies to references to a person’s residence for tax purposes in Chapter 8 or 11.”

Member’s explanatory statement

This amendment deals with the possibility that a zero-tax territory may not recognise the concept of residence for tax purposes.

The Chancellor of the Exchequer

38

- ★ Schedule 7, page 131, line 23, leave out “or body”

Member’s explanatory statement

This amendment is to ensure consistency with the existing provisions of Part 6A of the Taxation (International and Other Provisions) Act 2010 (where reference to a person includes reference to a body).

Finance (No. 2) Bill, *continued*

The Chancellor of the Exchequer

39

★ Schedule 7, page 144, line 32, leave out sub-paragraph (2) and insert—

“(2) For subsection (7) substitute—

“(7) Condition E is that it is reasonable to suppose that the relevant mismatch is not capable of counteraction.

(7A) A relevant mismatch is capable of counteraction to the extent it is capable of being considered, for the purposes of determining the tax treatment of a person, other than P, under the law of a territory that is OECD mismatch compliant.

(7B) If a proportion of the relevant mismatch is not capable of being so considered under the law of any such territory—

(a) Condition E is met in relation to that proportion, and

(b) the remainder of the relevant mismatch is to be ignored for the purposes of this Part.

(7C) A determination about the extent to which a relevant mismatch is capable of being so considered is to be made on a just and reasonable basis.

(7D) A territory is OECD mismatch compliant if under the law of that territory effect is given to the Final Report on Neutralising the Effects of Hybrid Mismatch Arrangements published by the Organisation for Economic Cooperation and Development on 5 October 2015 or any replacement or supplementary publication (within the meaning of section 259BA(3)).”

Member’s explanatory statement*This amendment provides that where a mismatch is capable of being dealt with in a country that has implemented rules in accordance with the OECD’s Hybrid Mismatch Arrangements report, it will not be dealt with by the United Kingdom.*

The Chancellor of the Exchequer

40

★ Schedule 7, page 151, line 10, leave out “subsection (4)” and insert “subsections (4) and (7)”

Member’s explanatory statement*This amendment corrects a minor error.*

The Chancellor of the Exchequer

41

★ Schedule 7, page 151, line 18, after “hybrid” insert “entity”

Member’s explanatory statement*This amendment corrects a minor error.*

The Chancellor of the Exchequer

42

★ Schedule 7, page 151, leave out lines 22 to 25 and insert—

“(c) that investor in the hybrid entity is an investor in it as a result of an interest (direct or indirect) it has in a transparent fund (“the relevant fund”) that directly holds an interest in—

(i) the hybrid entity, or

Finance (No. 2) Bill, continued

- (ii) another entity that is not a transparent fund and which holds a direct or indirect interest in the hybrid entity.”

Member’s explanatory statement

This amendment is designed to allow the provision amended to work where other entities are between the hybrid entity and the transparent fund by reference to which the provision operates.

Dame Margaret Hodge

77

★ Schedule 29, page 319, line 23, at end insert—

“32 After section 280 of Finance Act 2014 insert—

“280A Treatment of promoters of abusive tax avoidance schemes

- (1) In any proceedings for the offence of cheating the public revenue, where—
- (a) the person charged acted as a promoter in relation to relevant arrangements within the meaning of section 235, or the person charged gave in the course of business affirmative advice on the viability of relevant arrangements within the meaning of section 234, and
 - (b) the relevant arrangements were abusive tax arrangements within the meaning of sub-paragraph 3(2) of Schedule 16 of Finance (No. 2) Act 2017,
- subsection (2) shall apply, subject to subsection (3).
- (2) If, at any time that the person charged acted so as to fall within subsection (1)(a), that person was aware of the course of action or intended course of action having the consequence that the relevant arrangements were abusive tax arrangements within the meaning of sub-paragraph 3(2) of Schedule 16 of Finance (No. 2) Act 2017, the actions of that person in respect of the relevant arrangements shall be deemed to have been dishonest.
- (3) Subsection (2) shall not apply if the person charged proves that they held in good faith the belief that the course of action or intended course of action was reasonable in the circumstances.””

Member’s explanatory statement

This amendment would cause promoters of tax avoidance schemes which are abusive (defined in existing legislation to mean schemes where it is not reasonable to regard the scheme as a reasonable course of action) to be treated as acting dishonestly for the purposes of criminal prosecution of tax offences, without dishonesty having to be separately proved by the prosecution.

Finance (No. 2) Bill, continued

Alison Thewliss
Peter Grant
Owen Thompson

NC14

★ To move the following Clause—

“Review of changes to construction industry scheme

- (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 the construction industry scheme by section 30 and schedule 6 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,
 - (d) GDP growth, and
 - (e) poverty.
- (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.”

Alison Thewliss
Peter Grant
Owen Thompson

NC15

★ To move the following Clause—

“Review of effect on tax revenues

- (1) The Chancellor of the Exchequer must review the effects on tax revenues of section 115 and schedule 27, and sections 117 to 121 and schedules 29 to 32 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—
 - (a) the expected change in corporation and income tax paid attributable to the provisions; and
 - (b) an estimate of any change, attributable to the provisions, in the difference between the amount of tax required to be paid to the Commissioners and the amount paid.
- (3) The reference to tax required to be paid in subsection 2(b) includes 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

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finances, and on reducing the tax gap, of Clause 115 and Schedule 27, and Clauses 117 to 121 and Schedules 29 to 32, and to include in the review consideration of the taxes payable by owners and employees of Scottish limited partnerships.

Dan Carden

NC18

★ To move the following Clause—

“Ministerial statement on progress towards full, public, country by country reporting

The Chancellor of the Exchequer must within six months of Royal Assent make a ministerial statement on progress towards full, public, country by country reporting by companies of profits and costs incurred in the countries in which they operate.”

Member’s explanatory statement

This new clause would require the Government to make a statement on progress with country by country reporting.

CLAUSES 87 TO 89 AND SCHEDULES 16 AND 17; CLAUSES 90 AND 91; ANY NEW CLAUSES OR NEW SCHEDULES RELATING TO THE SUBJECT MATTER OF THOSE CLAUSES AND SCHEDULES

Keir Starmer
Anneliese Dodds
James Murray
Abena Opong-Asare
Pat McFadden
Mr Nicholas Brown

81

★ Clause 87, page 49, leave out lines 14 to 27

Member’s explanatory statement

This amendment would mean that the Stamp Duty Land Tax (Temporary Relief) Act 2020 no longer applies to additional dwellings.

Keir Starmer
Anneliese Dodds
James Murray
Abena Opong-Asare
Pat McFadden
Mr Nicholas Brown

NC26

★ To move the following Clause—

“Equality impact analysis

- (1) The Chancellor of the Exchequer must review the equality impact of sections 87 to 89 and schedule 16 and 17 of this Act and lay a report of that review before the House of Commons within six months of the passing of this Act.

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- (2) A review under this section must consider the impact of those sections on—
- (a) households at different levels of income,
 - (b) people with protected characteristics (within the meaning of the Equality Act 2010),
 - (c) the Treasury’s compliance with the public sector equality duty under section 149 of the Equality Act 2010, and
 - (d) equality in England, Northern Ireland and in different regions of England.
- (3) A review under this section must provide a separate analysis in relation to each of the following matters—
- (a) the temporary period for reduced rates on residential property,
 - (b) increased rates for non-resident transactions, and
 - (c) relief from higher rate charge for certain housing co-operatives etc.
- (4) In this section “regions of England” has the same meaning as that used by the Office for National Statistics.”

Member’s explanatory statement

This new clause requires the Chancellor of the Exchequer to carry out and publish a review of the effects of sections 87 to 89 and schedules 16 and 17 of the Bill on equality in relation to households with different levels of income, people with protected characteristics, the Treasury’s public sector equality duty and on a geographical basis.

Keir Starmer
Anneliese Dodds
James Murray
Abena Oppong-Asare
Pat McFadden
Mr Nicholas Brown

NC27

- ★ To move the following Clause—

“Fiscal and economic impact of 2% non-resident surcharge

- (1) The Chancellor of the Exchequer must review the impact of section 88 and schedule 16 and lay a report of that review before the House of Commons within six months of the passing of this Act and once a year thereafter.
- (2) A review under this section must estimate the expected impact of section 88 and schedule 16 on—
 - (a) Stamp Duty Land Tax revenue at the increased rates of 2%, and what the revenue impact would have been if the rate had been 3%,
 - (b) residential property prices, and
 - (c) affordability of residential property.”

Member’s explanatory statement

This new clause would require the Government to report on the effect of the 2% stamp duty land tax non-resident surcharge on tax revenues and on the price and affordability of property.

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CLAUSES 92 TO 96 AND SCHEDULE 18; CLAUSE 97 AND SCHEDULE 19; CLAUSES 128 TO 130; ANY NEW CLAUSES OR NEW SCHEDULES RELATING TO THE SUBJECT MATTER OF THOSE CLAUSES AND SCHEDULES

Alison Thewliss
Peter Grant
Owen Thompson

16

- ★ Clause 92, page 53, line 30, leave out “30th September 2021” and insert “31st December 2021”.

Alison Thewliss
Peter Grant
Owen Thompson

64

- ★ Clause 93, page 54, line 15, leave out “substitute for the period for the time being mentioned there such other” and insert “increase the”

Alison Thewliss
Peter Grant
Owen Thompson

NC16

- ★ To move the following Clause—

“Review of changes to VAT

- (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 VAT by sections 92 and 93 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,
 - (d) GDP growth, and
 - (e) poverty.
- (3) A review under this section must consider the following scenarios—
 - (a) the extension of temporary 5% reduced rate for hospitality and tourism sectors is continued until 30th September 2021, and
 - (b) the extension of temporary 5% reduced rate for hospitality and tourism sectors is continued until 31st December 2021.
- (4) In this section “parts of the United Kingdom” means—
 - (a) England,
 - (b) Scotland,
 - (c) Wales, and
 - (d) Northern Ireland;

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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 extending the 5% rate of VAT till the end of September versus the year end.

ORDER OF THE HOUSE [13 APRIL 2021]

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) Clauses 1 to 5 (income tax charge, rates etc);
 - (b) Clauses 6 to 14 and Schedule 1 (corporation tax charge and rates, rate of diverted profits tax and capital allowances: super-deductions etc);
 - (c) Clauses 24 to 26 (employment income: provisions relating to coronavirus);
 - (d) Clause 28 (pensions: freezing the standard lifetime allowance);
 - (e) Clause 30 and Schedule 6 (construction industry scheme);
 - (f) Clauses 31 to 33 (coronavirus support payments etc);
 - (g) Clause 36 and Schedule 7 (corporation tax: hybrid and other mismatches);
 - (h) Clause 40 (capital gains tax: annual exempt amount);
 - (i) Clause 41 (capital gains tax: hold-over relief for foreign controlled companies);
 - (j) Clause 86 (inheritance tax: rate bands for tax years 2021-22 to 2025-26);
 - (k) Clauses 87 to 89 and Schedules 16 and 17 (stamp duty land tax);
 - (l) Clauses 90 and 91 (annual tax on enveloped dwellings);
 - (m) Clauses 92 to 96 and Schedule 18 (value added tax)
 - (n) Clause 97 and Schedule 19 (customs duty);
 - (o) Clauses 109 to 111 and Schedules 21 and 22 (freeports);
 - (p) Clause 115 and Schedule 27 (follower notice penalties);
 - (q) Clauses 117 to 121 and Schedules 29 to 32 (avoidance and conditionality);
 - (r) Clauses 128 to 130 (banking);
 - (s) any new Clauses or new Schedules relating to—
 - (i) the impact of any provision on the financial resources of families or to the subject matter of Clauses 1 to 5, 24 to 26, 28, 31 to 33, 40 and 86;
 - (ii) the subject matter of Clauses 6 to 14 and Schedule 1;
 - (iii) the impact of any provision on regional economic development;
 - (iv) tax avoidance or evasion;
 - (v) the subject matter of Clauses 87 to 89 and Schedules 16 and 17 and Clauses 90 and 91;
 - (vi) the subject matter of Clauses 92 to 96 and Schedule 18, Clause 97 and Schedule 19 and Clauses 128 to 130.
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.

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4. The proceedings—
- (a) shall be taken on each of those days in the order shown in the first column of the following Table, and
 - (b) shall (so far as not previously concluded) be brought to a conclusion at the times specified in the second column of the Table.

<i>Proceedings</i>	<i>Time for conclusion of proceedings</i>
 First day	
Clauses 1 to 5, 24 to 26, 28, 31 to 33, 40 and 86; any new Clauses or new Schedules relating to the impact of any provision on the financial resources of families or to the subject matter of those Clauses	2 hours from commencement of proceedings on the Bill on the first day
Clauses 6 to 14 and Schedule 1; any new Clauses or new Schedules relating to the subject matter of those Clauses and Schedule	4 hours from commencement of proceedings on the Bill on the first day
Clauses 109 to 111 and Schedules 21 and 22; and new Clauses or new Schedules relating to the impact of any provision on regional economic development	6 hours from commencement of proceedings on the Bill on the first day
 Second day	
Clause 30 and Schedule 6; Clause 36 and Schedule 7; Clause 41; Clause 115 and Schedule 27; Clauses 117 to 121 and Schedules 29 to 32; any new Clauses or new Schedules relating to tax avoidance or evasion	2 hours from commencement of proceedings on the Bill on the second day
Clauses 87 to 89 and Schedules 16 and 17; Clauses 90 and 91; any new Clauses or new Schedules relating to the subject matter of those Clauses and Schedules	4 hours from commencement of proceedings on the Bill on the second day
Clauses 92 to 96 and Schedule 18; Clause 97 and Schedule 19; Clauses 128 to 130; any new Clauses or new Schedules relating to the subject matter of those Clauses and Schedules	6 hours from commencement of proceedings on the Bill on the second day

Proceedings in Public Bill Committee etc

5. Proceedings in the Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on Thursday 6 May 2021.

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6. The Public Bill Committee shall have leave to sit twice on the first day on which it meets.
7. When the provisions of the Bill considered, respectively, by the Committee of the whole House and by the Public Bill Committee have been reported to the House, the Bill shall be proceeded with as if it had been reported as a whole to the House from the Public Bill Committee.

Proceedings on Consideration and Third Reading

8. Proceedings on Consideration 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.
9. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

Programming committee

10. Standing Order No. 83B (Programming committees) shall not apply to proceedings in Committee of the whole House or to proceedings on Consideration and Third Reading.
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