
Committee of the whole House: Wednesday 1 December 2021

Finance (No. 2) Bill (Committee Stage Decisions)

This document sets out the fate of each clause, schedule, amendment and new clause considered at committee stage. A glossary with key terms can be found at the end of this document.

CLAUSE 4; CLAUSE 6; CLAUSES 7 AND 8 AND SCHEDULE 1; CLAUSE 12; ANY NEW CLAUSES OR NEW SCHEDULES RELATING TO THE SUBJECT MATTER OF THOSE CLAUSES AND THAT SCHEDULE

Clause 4 agreed to.

Keir Starmer
Rachel Reeves
Bridget Phillipson
James Murray
Abena Opong-Asare
Sir Alan Campbell

Not selected **1**

Page 2, line 29, leave out Clause 6

Clause agreed to on division.

Clauses 7 and 8 agreed to.

Schedule 1 agreed to.

Ian Blackford
Alison Thewliss
Stephen Flynn
Peter Grant
Richard Thomson
Gavin Newlands
Alan Brown
Patricia Gibson
Owen Thompson

Not called **5**

Ronnie Cowan
Martin Docherty-Hughes

Douglas Chapman
Kirsty Blackman

Clause 12, page 10, line 44, at end insert “, and at the end of section 32(1) insert “, but eligibility for the increased maximum annual allowance from 1 January 2022 to 31 March 2023 is available only to businesses which can demonstrate that they have taken

steps to reduce carbon emissions within their own business models and have set out further steps for how they plan to reduce carbon emissions towards a net zero goal”.

Ian Blackford		Not called	6
Alison Thewliss			
Stephen Flynn			
Peter Grant			
Richard Thomson			
Gavin Newlands			
Alan Brown	Ronnie Cowan	Douglas Chapman	
Patricia Gibson	Martin Docherty-Hughes	Kirsty Blackman	
Owen Thompson			

Clause 12, page 10, line 44, at end insert “, and at the end of section 32(1) insert “, but eligibility for the increased maximum annual allowance from 1 January 2022 to 31 March 2023 is available only to businesses which do not have a history of tax avoidance”.

Ben Lake		Not called	4
Liz Saville Roberts			
Hywel Williams			

Clause 12, page 11, line 10, at end insert—

“(3) 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 the temporary increase in annual investment allowance, 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; and
- (b) assessing how the temporary increase in annual investment allowance 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.”

Ian Blackford Not called 7
 Alison Thewliss
 Stephen Flynn
 Peter Grant
 Richard Thomson
 Gavin Newlands
 Alan Brown Ronnie Cowan Douglas Chapman
 Patricia Gibson Martin Docherty-Hughes Kirsty Blackman
 Owen Thompson

Clause 12, page 11, line 10, at end insert—

“(3) In paragraph 2(3) of Schedule 13 of that Act—

- (a) after “second straddling period is” insert “the greater of (a)”;
and
- (b) after “of that sub-paragraph” add “and (b) the amount (if any) by which the maximum allowance under section 51A of CAA 2001 had there been no temporary increase in the allowance exceeds the annual investment allowance qualifying expenditure incurred before 1 April 2023.””

Clause agreed to.

Keir Starmer Not called NC1
 Rachel Reeves
 Bridget Phillipson
 James Murray
 Abena Opong-Asare
 Sir Alan Campbell

To move the following Clause—

“Review of the impact on revenues from tax on dividend income

The Chancellor of the Exchequer must, within six months of the passing of this Act, publish an assessment of the impact on revenues from tax on dividend income of increasing the rates set out in section 8 of ITA 2007 by—

- (a) 1.25%,
- (b) 2.5%, and
- (c) 3.75%.”

Keir Starmer
Rachel Reeves
Bridget Phillipson
James Murray
Abena Opong-Asare
Sir Alan Campbell

Not called NC2

To move the following Clause—

“Review of the impact on revenues from banking surcharge

- (1) The Chancellor of the Exchequer must, within six months of the passing of this Act, publish an assessment of revenues from the banking surcharge.
- (2) This review must consider—
 - (a) the total revenue raised by the banking surcharge since its introduction,
 - (b) the total public expenditure on supporting the banking sector since 2008, and
 - (c) an assessment of risks to the banking sector in the future including the likelihood of further public support being required.”

Keir Starmer
Rachel Reeves
Bridget Phillipson
James Murray
Abena Opong-Asare
Sir Alan Campbell

Not called NC3

To move the following Clause—

“Review of the impact of the extension of temporary increase in annual investment allowance

The Chancellor of the Exchequer must, within three months of the end of tax year 2022-23, publish a review of decisions by companies to invest in the UK in 2022-23, which must report on which companies, broken down by size, sector, and country of ownership, have benefited from the annual investment allowance; and this assessment must also assess the merits of the existence of the superdeduction in light of the AIA.”

Jon Trickett			Not called	NC8
Jeremy Corbyn				
Claudia Webbe				
Zarah Sultana				
Ms Diane Abbott				
Bell Ribeiro-Addy				
Nadia Whittome	Apsana Begum	Ian Byrne		
Beth Winter	Kate Osborne	Ian Lavery		
John McDonnell	Andy McDonald	Mary Kelly Foy		
Ian Mearns	Richard Burgon			

To move the following Clause—

“Review of changes to taxation of dividend income

- (1) The Chancellor of the Exchequer must, not later than six months after the passing of the Act, lay before the House of Commons a review of the fiscal and economic effects of the changes in the taxation of dividend income resulting from the provisions of section 4 of this Act.
- (2) The review under subsection (1) must also include an assessment of the fiscal and economic effects of—
 - (a) removing the personal dividend taxation allowance, and
 - (b) amending the dividend income rates of taxation to match the existing rates of taxation of earnings.”

Ian Blackford			Not selected	NC9
Alison Thewliss				
Stephen Flynn				
Peter Grant				
Richard Thomson				
Gavin Newlands				
Alan Brown	Ronnie Cowan	Douglas Chapman		
Patricia Gibson	Martin Docherty-Hughes	Kirsty Blackman		
Owen Thompson				

To move the following Clause—

“Review of bank levy, bank support and banking sector risk

The Government must publish within 12 months of this Act coming into effect an assessment of—

- (a) the total revenue raised by the Bank Levy/Bank Corporation Tax Surcharge since their introduction in 2011, relative to state support for the banking sector over the period since the financial crisis in 2008;
- (b) how many years of the Bank Surcharge at 3% would be required for the state to insure against a further financial crisis; and,
- (c) the current risks in the banking sector and likelihood of further state bailouts in the next decade.”

Ian Blackford
 Alison Thewliss
 Stephen Flynn
 Peter Grant
 Richard Thomson
 Gavin Newlands
 Alan Brown
 Patricia Gibson
 Owen Thompson

Negated on division NC10

Ronnie Cowan
 Martin Docherty-Hughes

Douglas Chapman
 Kirsty Blackman

To move the following Clause—

“Assessment of annual investment allowance

The Government must publish within 12 months of this Act coming into effect an assessment of—

- (a) how much the changes to the annual investment allowance under section 12 of this Act will affect GDP in the event of the Finance Act coming into effect, and
- (b) how the same changes would have affected GDP had the UK—
 - (i) remained in the European Union, and
 - (ii) left the European Union without a Future Trade and Investment Partnership.”

Ian Blackford
 Alison Thewliss
 Stephen Flynn
 Peter Grant
 Richard Thomson
 Gavin Newlands
 Alan Brown
 Patricia Gibson
 Owen Thompson

Not called NC11

Ronnie Cowan
 Martin Docherty-Hughes

Douglas Chapman
 Kirsty Blackman

To move the following Clause—

“Review of temporary increase in annual investment allowance

The Government must publish within 12 months of this Act coming into effect an assessment of—

- (a) the size, number, and location of companies claiming the increased annual investment allowance,
- (b) the impact of this relief upon levels of capital investment, and
- (c) the percentage of total business investments that were covered by this relief in 2019, 2020 & 2021.”

Richard Burgon

Not called NC16

To move the following Clause—

“Assessment of revenue effects of increases in the rates of tax on dividend income

The Chancellor of the Exchequer must, no later than 31 January 2022, lay before the House of Commons an assessment of the effects on tax revenues of—

- (a) the provision of section 4, and
- (b) increasing the rates of tax on dividend income to the default rates of income tax.”

Christine Jardine

Not called NC17

To move the following Clause—

“Review of impact of the abolition of basis periods

- (1) The Chancellor of the Exchequer must, within six months of the passing of this Act, review the impact of the abolition of basis periods.
- (2) The review must consider the effects of the abolition on—
 - (a) farmers and other seasonal businesses,
 - (b) sole traders, and
 - (c) partnerships.
- (3) The review must consider the effects of the abolition in respect of—
 - (a) each region of England and England as a whole,
 - (b) Scotland,
 - (c) Wales, and
 - (d) Northern Ireland.
- (4) In this section, “region” has the same meaning as that used by the Office for National Statistics.”

CLAUSES 27 AND 28; CLAUSES 53 TO 66; CLAUSES 84 TO 89; CLAUSE 90 AND SCHEDULE 12; CLAUSE 91 AND SCHEDULE 13; CLAUSE 92; ANY NEW CLAUSES OR NEW SCHEDULES RELATING TO THE SUBJECT MATTER OF THOSE CLAUSES AND THOSE SCHEDULES

Clause 27 agreed to.

The Chancellor of the Exchequer

Agreed to 2

Clause 28, page 22, line 40, leave out from “to” to end of line 41 and insert “a relevant enquiry”

The Chancellor of the Exchequer

Agreed to 3

Clause 28, page 23, line 5, at end insert—

“(3A) In subsection (2), “relevant enquiry” means—

- (a) an enquiry into the company tax return for the accounting period mentioned in subsection (1)(a);
- (b) where the charging notice mentioned in subsection (1)(a) is issued to a company ("the foreign company") for an accounting period by reason of section 86 applying in relation to it for that accounting period, an enquiry into any company tax return for the avoided PE (within the meaning of section 86) that may be amended by virtue of section 101B(2) so as to reduce the taxable diverted profits arising to the foreign company in that accounting period."

Clause, as amended, agreed to.

Clauses 53 to 66 and 84 to 90, Schedule 12, Clause 91, Schedule 13 and Clause 92 agreed to.

Keir Starmer
Rachel Reeves
Bridget Phillipson
James Murray
Abena Opong-Asare
Sir Alan Campbell

Not selected NC4

To move the following Clause—

"Review of income from the diverted profits tax

- (1) The Chancellor of the Exchequer must, within six months of the passing of this Act, publish an assessment of the income forecast from the diverted profits tax in each of the tax years—
 - (a) 2022-23,
 - (b) 2023-24, and
 - (c) 2024-25.
- (2) This assessment must consider the impact on the operation of the diverted profits tax of the OECD-G20 Inclusive Framework package of reforms being implemented, including a global minimum rate of corporation tax being introduced and set at—
 - (a) 15 per cent, and
 - (b) 21 per cent."

Keir Starmer
Rachel Reeves
Bridget Phillipson
James Murray
Abena Opong-Asare
Sir Alan Campbell

Negated on division NC5

To move the following Clause—

“Reviews of Economic Crime (Anti-Money Laundering) Levy

- (1) The Government must publish a review of the operation of the Economic Crime (Anti-Money Laundering) Levy by 31 December 2027.
- (2) The Government must publish on 31 December each year until the establishment of a register of beneficial owners of overseas entities that own UK property—
 - (a) an assessment of the contribution to the effectiveness of the Levy that such a register would make; and
 - (b) an update on progress toward implementing such a register.”

Keir Starmer
Rachel Reeves
Bridget Phillipson
James Murray
Abena Opong-Asare
Sir Alan Campbell
Mohammad Yasin

Negated on division NC7

To move the following Clause—

“Reporting on provisions relating to publication of information about tax avoidance schemes

- (1) The Chancellor of the Exchequer must, within three months of the passing of this Act, lay before the House of Commons and publish a review of the impact of measures contained within this Act that relate to the publication by HMRC of information about tax avoidance schemes.
- (2) The review undertaken by the Chancellor under subsection (1) must include commissioning an independent assessment of the information published by HMRC about disguised remuneration loan schemes.
- (3) The independent assessment under subsection (2) must include consideration of the following with respect to the purposes set out in section 85(1)(a) and (b) of this Act—
 - (a) HMRC’s approach to the loan charge scheme; and
 - (b) recommendations for altering that approach.
- (4) The Government must before the review commences make a statement to the House of Commons stating what efforts have been taken to guarantee the independence of the assessment under subsection (2).
- (5) The Government must within three months of the publication of the review under subsection (1) make a statement to the House of Commons stating which of any recommendations under subsection (3)(b) it will be

accepting, and give reasons for any decision not to accept one or more of those recommendations.

- (6) The Government must every six months after the publication of the review in subsection (1) make a statement to the House of Commons stating what progress has been made towards implementing any of the recommendations that arise from subsection (3)(b) which the Government has accepted."

Ian Blackford
Alison Thewliss
Stephen Flynn
Peter Grant
Richard Thomson
Gavin Newlands
Alan Brown
Patricia Gibson
Owen Thompson

Not called NC12

Ronnie Cowan
Martin Docherty-Hughes

Douglas Chapman
Kirsty Blackman

To move the following Clause—

"Assessment of Economic crime (anti-money laundering) levy

The Government must publish within 12 months of the Act coming into effect an assessment of the impact of Part 3 of this Act (Economic crime (anti-money laundering) levy) on the tax gap and how it has affected opportunities for tax evasion, tax avoidance, and other economic crimes."

Ian Blackford
Alison Thewliss
Stephen Flynn
Peter Grant
Richard Thomson
Gavin Newlands
Alan Brown
Patricia Gibson
Owen Thompson

Not called NC13

Ronnie Cowan
Martin Docherty-Hughes

Douglas Chapman
Kirsty Blackman

To move the following Clause—

"Review of avoidance provisions of sections 84 to 92 on the tax gap

The Government must publish within 12 months of the Act coming into effect an assessment of the provisions in sections 84 to 92 of this Act on the tax gap in the UK."

Ian Blackford
Alison Thewliss
Stephen Flynn
Peter Grant
Richard Thomson
Gavin Newlands
Alan Brown
Patricia Gibson
Owen Thompson

Not called NC14

Ronnie Cowan
Martin Docherty-Hughes

Douglas Chapman
Kirsty Blackman

To move the following Clause—

“Review of provisions of section 85 and publication of information on overseas property ownership

- (1) The Government must publish within 12 months of this Act coming into effect an assessment of the impact of the provisions of section 85 about the publication by HMRC of information about tax avoidance schemes.
- (2) This assessment must include consideration of the impact of the publication of a register of overseas property ownership upon the promotion of tax avoidance in the UK.”

Dame Margaret Hodge
Mr Andrew Mitchell
Chris Bryant
Kevin Hollinrake
Dame Angela Eagle
Nigel Mills
Siobhain McDonagh
Julie Elliott
Alison Thewliss

Not called NC15

Stephen Timms
Ms Marie Rimmer
Caroline Lucas

Catherine McKinnell
Charlotte Nichols

To move the following Clause—

“Review of Economic crime (anti-money laundering) levy rates

- (1) The Government must within six months of the Economic crime (anti-money laundering) levy coming into effect lay before the House of Commons an assessment of the effectiveness of rates of the levy in section 54(2) in achieving the levy’s objectives.
- (2) The assessment under (1) must also make an assessment of how the effectiveness of the levy would be changed if each of the rates of the levy in section 54(2) were (a) doubled and (b) tripled.”

Clauses 69 to 71 and 93 and Schedule 14 agreed to.

Bill (Clauses 4, 6 to 8, Schedule 1, Clause 12, Clauses 27 and 28, Clauses 53 to 66, Clauses 68 to 71, Clauses 84 to 92, Schedules 12 and 13, Clause 93 and Schedule 14, and certain new Clauses and new Schedules), as amended, to lie upon the Table.

Glossary

Added: New Clause agreed without a vote and added to the Bill.

Agreed to: agreed without a vote.

Agreed to on division: agreed following a vote.

Negated: rejected without a vote.

Negated on division: rejected following a vote.

Not called: debated in a group of amendments, but not put to a decision.

Not moved: not debated or put to a decision.

Question proposed: debate underway but not concluded.

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

Not selected: not chosen for debate by the Chair.
