
Public Bill Committee: Tuesday 16 May 2023

Finance (No. 2) Bill (Amendment Paper)

Except the clauses to be considered in Committee of the whole House which are: Clauses 5 and 6 (corporation tax charge and rates); Clauses 7 to 9 (capital allowances); Clauses 10 to 15 and Schedule 1 (other reliefs relating to businesses); Clauses 18 to 25 (pensions); Clause 27 (power to clarify tax treatment of devolved social security benefits); Clauses 47, 48 and 50 to 60 and Schedules 7 to 9 (alcohol duty: charge, rates and reliefs); Clauses 121 to 264 and Schedules 14 to 17 (multinational top-up tax); Clauses 265 to 277 and Schedule 18 (domestic top-up tax); Clauses 278 to 312 (electricity generator levy); any new Clauses or new Schedules relating to the subject matter of those Clauses and those Schedules.

This document lists all amendments tabled to the Finance (No. 2) Bill. Any withdrawn amendments are listed at the end of the document. The amendments are arranged in the order in which it is expected they will be decided.

This document should be read alongside the Chair's provisional Selection and Grouping, which sets out the order in which the amendments will be debated.

Resolution of the Programming Sub-Committee

The Programming Sub-Committee appointed by the Speaker in respect of the Bill agreed the following Resolution at its meeting on Monday 15 May (Standing Order No. 83C):

1. the Committee shall (in addition to its first meeting at 9.25 am on Tuesday 16 May 2023) meet—
 - (a) at 2.00 pm on Tuesday 16 May 2023;
 - (b) at 11.30 am and 2.00 pm on Thursday 18 May 2023;
 - (c) at 9.25 am and 2.00 pm on Tuesday 23 May 2023;
2. the proceedings shall be taken in the following order: Clauses 1 to 4; Clauses 16 and 17; Clause 26; Clauses 28 and 29; Schedule 2; Clauses 30 to 34; Schedule 3; Clause 35; Schedule 4; Clauses 36 and 37; Schedule 5; Clauses 38 to 44; Schedule 6; Clauses 45 and 46; Clause 49; Clauses 61 to 105; Schedule 10; Clauses 106 to 108; Schedule 11; Clauses 109 to 112; Schedule 12; Clauses 113 and 114; Schedule 13; Clauses 115 to 120; Clauses 313 to 315; Schedules 19 and 20; Clauses 316 to 320; Schedule 21; Clauses 321 to 324; Schedule 22; Clauses 325 to 331; Schedule 23;

Clauses 332 to 345; Schedule 24; Clauses 346 to 352; new Clauses; new Schedules; remaining proceedings on the Bill;

3. the proceedings shall (so far as not previously concluded) be brought to a conclusion at 5.00 pm on Tuesday 23 May 2023.

Victoria Atkins has given notice of her intention to move a motion in the terms of the Resolution of the Programming Sub-Committee (Standing Order No. 83C).

Victoria Atkins

To move, That, subject to the discretion of the Chair, any written evidence received by the Committee shall be reported to the House for publication.

Victoria Atkins

Gov 4

Schedule 2, page 291, line 38, at end insert—

- “(za) the property comprised in the settlement is not held for a pensions purpose within the meaning of paragraph 7(3) of Schedule 1C to TCGA 1992 (property comprised in settlements held for a pensions purpose);”

Member's explanatory statement

This amendment would mean that a pensions settlement could not be a “qualifying settlement” for the purposes of section 24B of the Income Tax Act 2007 (being inserted by the Bill) or a “relevant settlement” in respect of which the conditions in subsection (9) of that section could be met.

Victoria Atkins

Gov 5

Schedule 3, page 309, line 4, leave out paragraph 28 and insert—

- “28 (1) In section 494 of TIOPA 2010 (other interpretation), at the end insert—

“(3) The definition of “insurance company” in section 65 of FA 2012 (which is applicable to this Part as a result of section 141(2) of that Act) has effect for the purposes of this Part as if, in subsection (2)(a), the reference to Part 4A of the Financial Services and Markets Act 2000 included a reference to the law of a territory outside the United Kingdom which is similar to or corresponds to that Part.”

- (2) In Part 7 of Schedule 11 to that Act (index of defined expressions), in the entry relating to an insurance company, in the second column, for “section 141 of FA 2012” substitute “section 494(3)”.

Member's explanatory statement

This amendment secures that companies count as insurance companies for the purposes of the corporate interest restriction rules if they effect or carry out contracts of insurance and have regulatory permission to do so under a foreign law which is similar to or corresponds to the relevant United Kingdom law.

Victoria Atkins

Gov 6

Clause 41, page 32, line 36, at beginning insert "on or "

Member's explanatory statement

This amendment ensures that the inserted subsection (1C) applies to disposals made on the days mentioned in paragraphs (a) and (b) of that subsection as well as before those days.

Victoria Atkins

Gov 7

Clause 41, page 33, line 8, after "etc)" insert ", but as if, in subsection (2)(a), after "partner" there were inserted ", or former spouse or civil partner,""

Member's explanatory statement

This amendment clarifies that the inserted subsection (1D) applies in relation to disposals made after A and B have ceased to be married or civil partners.

Victoria Atkins

Gov 8

Clause 42, page 34, line 40, at end insert—

"(5A) Where—

- (a) distributions were made by the scheme to external investors before the relevant tax year, and
- (b) the timing of those distributions affects the amount of carried interest that actually arises to A,

the amount of carried interest to be presumed to arise in the circumstances mentioned in subsection (5) is to reflect the fact those distributions were made before the relevant tax year.

- (5B) But if reflecting that fact would lead to a presumption that an amount of carried interest had arisen before the relevant tax year, any such amount is to be presumed to arise in the relevant tax year."

Member's explanatory statement

This amendment secures that the amount of carried interest that is presumed to arise in the hypothetical situation that determines the amount of the charge properly reflects prior distributions to investors.

Victoria Atkins

Gov 9

Clause 324, page 245, line 34, after "provision" insert "(including consequential provision)"

Member's explanatory statement

See the explanatory statement for Amendment 10.

Victoria Atkins

Gov 10

Schedule 22, page 449, line 25, at end insert—

“10A (1) In consequence of the amendments made by paragraph 10, in Part 8 of Schedule 1 to VERA 1994 (annual rates of duty: goods vehicles), paragraph 10 (relevant rigid goods vehicles) is amended as follows.

(2) After sub-paragraph (2) insert—

“(2A) In this paragraph, references to “the tables” are to the tables mentioned in sub-paragraph (6).”

(3) In sub-paragraph (3)—

(a) in the opening words omit “following”;

(b) in paragraph (c), for “appropriate HGV road user levy band” substitute “vehicle excise duty band”.

(4) For sub-paragraph (5) substitute—

“(5A) The “vehicle excise duty band” in relation to a vehicle is determined in accordance with the following table—

<i>Revenue weight of vehicle</i>		<i>2 axle vehicle</i>	<i>3 axle vehicle</i>	<i>4 or more axle vehicle</i>
<i>Exceeding</i>	<i>Not exceeding</i>			
<i>kgs</i>	<i>kgs</i>	<i>Band</i>	<i>Band</i>	<i>Band</i>
11,999	15,000	B(T)	B(T)	B(T)
15,000	21,000	D(T)	B(T)	B(T)
21,000	23,000	E(T)	C(T)	B(T)
23,000	25,000	E(T)	D(T)	C(T)
25,000	27,000	E(T)	D(T)	D(T)
27,000	44,000	E(T)	E(T)	E(T)”.

(5) In each of the tables after sub-paragraph (6), in the headings to column 1, for “Appropriate HGV road user levy band” substitute “Vehicle excise duty band”.

Member's explanatory statement

This amendment and Amendment 9 would make consequential amendments to ensure that vehicle excise duty remains chargeable on certain HGVs on the same basis, and in the same amounts, as it is chargeable before the amendments to the HGV road user levy in the Bill have effect.

Ben Lake

Liz Saville Roberts
Hywel Williams

3

Clause 346, page 264, line 15, at end insert—

“(1A) The Chancellor of the Exchequer must, within six months of this section coming into force, lay before the House of Commons proposals for establishing a Tax Reform Commission to assess the differential impact of the tax system in the UK on different groups of people and to make recommendations for reform of the tax system.

(1B) Before laying proposals under subsection (1A) above, the Chancellor must consult the Welsh Government, the Scottish Government and the Northern Ireland Executive.”

Member's explanatory statement

This amendment would require the Government to present proposals for a Tax Reform Commission, in consultation with the devolved administrations, within six months of this section coming into force.

Kirsty Blackman

2

Douglas Chapman

Clause 346, page 264, line 31, at end insert—

“(9) This section shall not come into force until the Chancellor of the Exchequer has published—

- (a) a response to the letter from the Chair of the House of Commons Treasury Committee, dated 2 March 2023, on the closure of the Office of Tax Simplification, and
- (b) a statement of his assessment of the costs and benefits of abolishing it.”

Member's explanatory statement

This amendment would prevent the Office of Tax Simplification from being abolished until the Chancellor has replied to outstanding correspondence from the Treasury Committee on the subject, and published a cost/benefit analysis of the policy.

Harriett Baldwin

1

Dame Angela Eagle

Andrea Leadsom

Douglas Chapman

Rushanara Ali

Emma Hardy

Siobhain McDonagh

Page 264, line 14, leave out Clause 346

Member's explanatory statement

This amendment would leave out clause 346, which abolishes the Office of Tax Simplification.

Harriett Baldwin

NC1

Dame Angela Eagle
Andrea Leadsom
Douglas Chapman
Rushanara Ali
Emma Hardy
Siobhain McDonagh

To move the following Clause—

“Reports to Treasury Committee on measures to simplify tax system

- (1) The Treasury must report to the Treasury Committee of the House of Commons on steps taken by the Treasury and HMRC to simplify the tax system in the absence of the Office of Tax Simplification.
- (2) Reports under this section must include information on steps to—
 - (a) simplify existing taxes, tax reliefs and allowances,
 - (b) simplify new taxes, tax reliefs and allowances,
 - (c) engage with stakeholders to understand needs for tax simplification,
 - (d) develop metrics to measure performance on tax simplification, and performance against those metrics.
- (3) A report under this section must be sent to the Committee before the end of each calendar year after the year in which section 346 (abolition of the Office of Tax Simplification) comes into force.”

Member's explanatory statement

This new clause would require the Treasury to report annually to the Treasury Committee on tax simplification if the Office of Tax Simplification is abolished.

Debbie Abrahams

NC2

To move the following Clause—

“Review of public health and poverty effects of Act

- (1) The Chancellor of the Exchequer must review the public health and poverty effects of the provisions 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) The review must consider—
 - (a) the effects of the provisions of this Act on the levels of relative and absolute poverty across the UK including devolved nations and regions,
 - (b) the effects of the provisions of this Act on socioeconomic inequalities and on population groups with protected characteristics as defined by the 2010 Equality Act across the UK, including by devolved nations and regions,
 - (c) the effects of the provisions of this Act on life expectancy and healthy life expectancy across the UK, including by devolved nations and regions, and

- (d) the implications for the public finances of the public health effects of the provisions of this Act.”

Member's explanatory statement

This new clause would require the Government to report on the public health and poverty effects of the provisions of the Act.

Sarah Olney

NC3

To move the following Clause—

“Review of effects of Act on small businesses

- (1) The Chancellor of the Exchequer must, within six months of this Act being passed, lay before the House of Commons a report on the likely impact of the measures of this Act on small businesses.
- (2) The report must assess the effect on small businesses of any taxes charged under this Act, in the context of other financial pressures currently facing small businesses including—
 - (a) the rate of inflation, and
 - (b) the cost of energy.”

Member's explanatory statement

This new clause would require the Government to produce an impact assessment of the effect of the Act on small business with particular regard to inflation and the cost of energy.

Kirsty Blackman

NC4

Douglas Chapman

To move the following Clause—

“Exiting the European Union

- (1) The Chancellor of the Exchequer must within three months of this Act coming into force, publish a report setting out which provisions of this Act could not have been introduced had the United Kingdom remained a member of the EU.
- (2) The report published under this section must include an evaluation of the costs and benefits of each such provision.”

Member's explanatory statement

This new clause would require the Chancellor to publish a report on which of the policies contained in the Act could not have been introduced if the UK had remained in the EU.

Kirsty Blackman

NC5

Douglas Chapman

To move the following Clause—

“Assessment of impact of the Act on compliance with the climate change target

The Chancellor of the Exchequer must, within one year of this Act coming into force, publish an assessment of the impact of this Act on the Government’s ability to meet—

- (a) the duty under section 1 of the Climate Change Act 2008 (the target for 2050), and
- (b) its obligations and commitments under the Paris Agreement of 2015.”

Member's explanatory statement

This new clause would require the Chancellor to publish an assessment of the impact of the Act on the UK Government’s ability to meet its duty to achieve Net Zero by 2050 and its obligations under the Paris Agreement.

Order of the House

[29 March 2023]

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 5 and 6 (corporation tax charge and rates);
 - (b) Clauses 7 to 9 (capital allowances);
 - (c) Clauses 10 to 15 and Schedule 1 (other reliefs relating to businesses);
 - (d) Clauses 18 to 25 (pensions);
 - (e) Clause 27 (power to clarify tax treatment of devolved social security benefits);
 - (f) Clauses 47, 48 and 50 to 60 and Schedules 7 to 9 (alcohol duty: charge, rates and reliefs);
 - (g) Clauses 121 to 264 and Schedules 14 to 17 (multinational top-up tax);
 - (h) Clauses 265 to 277 and Schedule 18 (domestic top-up tax);
 - (i) Clauses 278 to 312 (electricity generator levy);
 - (j) any new Clauses or new Schedules relating to the subject matter of the Clauses and Schedules mentioned in paragraphs (a) to (i).
2. The remainder of the Bill shall be committed to a Public Bill Committee.

Proceedings in Committee of the whole House

3. Proceedings in Committee of the whole House shall be completed in two days.
4. 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.

Proceedings	Time for conclusion of proceedings
First day	
Clauses 5 and 6; Clauses 7 to 9; Clause 10 and Schedule 1; Clauses 11 to 15; Clauses 121 to 125 and Schedule 14; Clauses 126 and 127 and Schedule 15; Clauses 128 to 260 and Schedule 16; Clause 261 and Schedule 17; Clauses 262 to 264; Clauses 265 to 275 and Schedule 18; Clauses 276 and 277; any new Clauses or new Schedules relating to the subject matter of those Clauses and those Schedules	six hours after the commencement of proceedings on the Bill on the first day.
Second day	
Clauses 18 to 25; any new Clauses or new Schedules relating to the subject matter of those Clauses	two hours after the commencement of proceedings on the Bill on the second day.
Clauses 278 to 312; any new Clauses or new Schedules relating to the subject matter of those Clauses	four hours after the commencement of proceedings on the Bill on the second day.
Clause 27; Clauses 47 and 48 and Schedule 7; Clause 50 and Schedule 8; Clauses 51 to 54 and Schedule 9; Clauses 55 to 60; any new Clauses or new Schedules relating to the subject matter of those Clauses and those Schedules	six hours after the 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 Tuesday 23 May.
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.
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 those proceedings 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, to proceedings on Consideration or to proceedings on Third Reading.