
Committee of the whole House: Wednesday 8 May 2024

Finance (No. 2) Bill

(Committee of the whole House 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.

CLAUSES 1 TO 4; ANY NEW CLAUSES OR NEW SCHEDULES RELATING TO THE SUBJECT MATTER OF THOSE CLAUSES (INCOME TAX CHARGE AND RATES ETC)

James Murray

Tulip Siddiq

Negatived on division NC1

To move the following Clause—

“Review of impact of section 2

- (1) The Chancellor of the Exchequer must, within three months of this Act being passed, publish a review of the expected impact of section 2 of this Act.
- (2) The review must include analysis setting out the number of individual taxpayers facing a marginal tax rate in the tax year 2024-25 of—
 - (a) the basic rate of 20%, and
 - (b) the higher rate of 40%.
- (3) For comparative purposes, the review must take account of—
 - (a) equivalent actual figures to those in subsection (2)(a) and (b) for the tax years 2021-22, 2022-23 and 2023-24, and
 - (b) equivalent projected figures to those in subsection (2)(a) and (b) for the tax years 2025-26, 2026-27 and 2027-28.”

Member's explanatory statement

This new clause requires a review of how many people will be liable to pay income tax at 20% and 40%, and would compare figures for the current tax year with those for the three preceding and three subsequent tax years.

James Murray
Tulip Siddiq

Negatived on division NC4

To move the following Clause—

“Review of impact of section 1 on pensioners

- (1) The Chancellor of the Exchequer must, within three months of this Act being passed, publish a review of the expected impact of section 1 of this Act on those over State Pension age.
- (2) The review must include analysis setting out, for the tax year 2024-25—
 - (a) the total number of people over the State Pension age paying tax under section 1, and
 - (b) the average tax liability per person of those in subsection (2)(a).
- (3) For comparative purposes, the review must take account of equivalent projected figures to those in subsections (2)(a) and (2)(b) for the tax years 2025-26, 2026-27 and 2027-28.”

Member's explanatory statement

This new clause requires a review of how many pensioners will be liable to pay income tax this year and in each of the next three years, and what the average pensioner’s tax bill will be in each of those years.

Ben Lake
Liz Saville Roberts
Hywel Williams

Not called NC5

To move the following Clause—

“Impact of income tax and corporation tax provisions on Wales, Scotland and Northern Ireland

The Chancellor of the Exchequer must, within three months of this Act being passed, publish an analysis of the impact of the measures in sections 1 to 4, 12 and 13 of this Act on—

- (a) Wales,
- (b) Scotland, and
- (c) Northern Ireland.”

Member's explanatory statement

This new clause requires an analysis of the income tax and corporation tax measures in the Bill on Wales, Scotland and Northern Ireland.

Sarah Olney

Not called NC6

To move the following Clause—

“Report on impact of section 2

Within three months of this Act being passed, the Chancellor of the Exchequer must lay before the House of Commons a report setting out—

- (a) the number of taxpayers that will pay income tax at each rate during the tax year 2024-2025 under section 2;
- (b) the number of those taxpayers that are pensioners or are of State Pension Age;
- (c) comparative figures for each tax year since 2021; and
- (d) comparative projected figures for each tax year to 2030.”

CLAUSES 12 AND 13; CLAUSE 19; ANY NEW CLAUSES OR NEW SCHEDULES RELATING TO THE SUBJECT MATTER OF THOSE CLAUSES (CORPORATION TAX CHARGE AND RATES ETC AND ENERGY SECURITY INVESTMENT MECHANISM)

James Murray

Negatived on division NC2

Tulip Siddiq

To move the following Clause—

“Review of impact of section 12

- (1) The Chancellor must, within three months of this Act being passed, conduct a review of the impact of section 12 of this Act.
- (2) The review must consider how the rate of corporation tax provided for by section 12 affects—
 - (a) investment decisions taken by businesses,
 - (b) the certainty of businesses about future fiscal and market conditions.
- (3) For comparative purposes, the review must include an assessment of how the factors in subsection (2)(a) and (b) would be affected by maintaining corporation tax at a rate no higher than that set out in section 12 until the end of the next parliament.”

Member's explanatory statement

This new clause requires the Chancellor to conduct a review of how the rate of corporation tax set by the Bill set out in clause 12 affects business investment and certainty, including what the effect would be of capping it at its current level for the next Parliament.

James Murray

Negatived on division NC3

Tulip Siddiq

To move the following Clause—

“Analysis of the impact of the energy security investment mechanism

- (1) The Chancellor of the Exchequer must, within three months of this Act being passed, publish an analysis of the possible impacts of the energy security investment mechanism on—
 - (a) revenue from the energy profits levy, and
 - (b) investment decisions involving businesses liable to pay the energy profits levy.
- (2) The analysis under subsection (1) must consider how the impacts in (1)(a) and (1)(b) would be affected by amending the definition of a qualifying accounting period, as set out in section 1 of the Energy (Oil and Gas) Profits Levy Act 2022, to be one that ends before the end of the next Parliament.
- (3) In this section, the “energy security investment mechanism” means the mechanism introduced by section 17A of the Energy (Oil and Gas) Profits Levy Act 2022, as inserted by section 19 of this Act.”

Member's explanatory statement

This new clause seeks to establish the impact on revenue and investment decisions of the energy security investment mechanism being introduced, and how this impact would be affected in a scenario where end date for the energy profits levy was amended to be before the end of the next Parliament.

Sarah Olney

Not called NC7

To move the following Clause—

“Review of impact of section 13 on small and medium enterprises

- (1) Within 3 months of this Act being passed, the Chancellor of the Exchequer must lay before the House of Commons a report assessing the impact of section 13 on small and medium enterprises.
- (2) The report under subsection (1) must consider the extent to which paying corporation tax at the small profits rate, rather than a higher rate, enables small businesses to manage cost pressures including those arising from—
 - (a) energy costs;
 - (b) staffing and recruitment costs;
 - (c) borrowing costs;
 - (d) raw material costs.”

Bill 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.