PARLIAMENTARY DEBATES

HOUSE OF COMMONS
OFFICIAL REPORT
GENERAL COMMITTEES

Public Bill Committee

FINANCE (NO. 2) BILL

Second Sitting

Tuesday 14 December 2021

(Afternoon)

CONTENTS

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not later than

Saturday 18 December 2021

The Committee consisted of the following Members:

Chairs: † Sir Christopher Chope, Philip Davies, Dame Angela Eagle, Dr Rupa Huq

† Anderson, Stuart *(Wolverhampton South West)* (Con)
† Butler, Rob *(Aylesbury)* (Con)
Efford, Clive *(Eltham)* (Lab)
Eshalomi, Florence *(Vauxhall)* (Lab/Co-op)
† Frazer, Lucy *(Financial Secretary to the Treasury)*
† Holden, Mr Richard *(North West Durham)* (Con)
† Howell, Paul *(Sedgefield)* (Con)
† Jones, Andrew *(Harrogate and Knaresborough)* (Con)
† Mackrory, Cherilyn *(Truro and Falmouth)* (Con)
† Mak, Alan *(Lord Commissioner of Her Majesty's Treasury)*
† Mayhew, Jerome *(Broadland)* (Con)
† Murray, James *(Ealing North)* (Lab/Co-op)
† Oppong-Asare, Abena *(Erith and Thamesmead)* (Lab)
† Thewliss, Alison *(Glasgow Central)* (SNP)
† Thomson, Richard *(Gordon)* (SNP)
† Twist, Liz *(Blaydon)* (Lab)
† Whately, Helen *(Exchequer Secretary to the Treasury)*

Chris Stanton, Kevin Maddison, *Committee Clerks*

† attended the Committee

Public Bill Committee

Tuesday 14 December 2021

(Afternoon)

[Sir Christopher Chope *in the Chair*]

Finance (No. 2) Bill

(Except Clause 4, Clauses 6 to 8 and Schedule 1, Clause 12, Clauses 27 and 28, Clauses 53 to 66, Clauses 68 to 71, Clauses 84 to 92 and Schedules 12 and 13, Clause 93 and Schedule 14)

Clause 23

Returns for disposals of UK land etc

Question proposed, That the clause stand part of the Bill.

2 pm

The Financial Secretary to the Treasury (Lucy Frazer): Clause 23 extends the time for payment of capital gains tax on property disposals from 30 days to 60 days, as well as clarifying the rules for mixed-use properties. It will affect disposals that have a completion date on or after 27 October 2021. Since April 2020, UK resident persons disposing of UK residential property where capital gains tax is due have been required to notify and pay the tax within 30 days of their sale completing.

Most people are not affected by the requirement because the sale of main homes is exempt from capital gains tax through private residence relief. Non-UK resident persons have paid within 30 days since April 2015 for residential property and from April 2019 for disposals of both UK residential and non-residential property, even if they have no tax to pay. However, the Government recognise that having 30 days has not always allowed taxpayers enough time to settle their affairs. In recognition of that, the Government are extending the 30-day time limit to 60 days. The change was informed by taxpayer representations and comes in response to the Office of Tax Simplification report in May 2021, where increasing the time limit to 60 days was a key recommendation.

The measure allows taxpayers more time to produce and provide accurate figures, particularly in more complex cases, as well as sufficient time to engage with advisers. It also clarifies the rules for a UK resident person calculating the capital gains tax notionally chargeable for mixed-use properties. The changes made by clause 23 will, first, extend the time limit for capital gains tax payment on property disposals to 60 days following completion of the relevant disposal. Secondly, for UK residents, the changes clarify that when a gain arises in relation to a mixed-use property, only the portion of the gain that is the residential property gain is to be reported and paid within 60 days.

Increasing the time limit to 60 days will delay some revenue until later in the scorecard. That is because some capital gains tax payments will now be paid in a different tax year. The Office for Budget Responsibility expects the measure to move £80 million out of the scorecard to later years, with the majority incurred in 2021-22. The measure is expected to impact an estimated 75,000 individuals, trustees and personal representatives of deceased persons who sell or otherwise dispose of UK land and property each year.

In summary, those liable to pay capital gains tax will now have 60 days instead of 30 days to report and pay the tax due on UK land and property disposals. I commend the clause to the Committee.

Abena Oppong-Asare (Erith and Thamesmead) (Lab): It is a pleasure to serve under your chairship, Sir Christopher. I want to say for the record that I believe Erith and Thamesmead is the best constituency. As the Minister has described, clause 23 relates to returns for the disposal of UK land. It extends the time limit for payment on property disposal from 30 days to 60 days, as well as clarifying the rules for mixed-use properties. As the Minister has rightly pointed out, that will affect disposals with completion dates on or after 27 October 2021.

A reporting and payment period for selling or otherwise disposing of an interest in UK land was initially introduced to help reduce errors and increase compliance. The measure increased the time available for taxpayers to report their disposals. The increase intends to allow more time for taxpayers to produce and provide accurate figures, which will be particularly helpful in more complex cases, as well as assuring sufficient time to engage with advisers. The change also clarifies the calculation for the capital gains tax notionally chargeable for mixed-use properties.

We do not oppose the doubling of the time period for reporting and paying capital gains tax on UK property. However, we remain concerned about the lack of awareness surrounding the reporting and paying process. I would be grateful if the Minister could outline the measures the Government will take to help individuals selling properties to be aware of their obligations and what support the Government will offer individuals struggling to access the stand-alone digital system for reporting those transactions.

Lucy Frazer: I am grateful to the Labour Front-Bench team for not opposing the measure, which is indeed very sensible. Her Majesty's Revenue and Customs regularly engages with all stakeholders and agents, who will therefore know about the change, but the hon. Lady makes an important point about communication, which we touched on this morning. I commend the clause to the Committee.

Question put and agreed to.

Clause 23 accordingly ordered to stand part of the Bill.

Clause 24

Cross-border group relief

Question proposed, That the clause stand part of the Bill.

The Chair: With this, it will be convenient to discuss that schedule 4 be the Fourth schedule to the Bill.

Lucy Frazer: Clause 24 makes changes to abolish cross-border group relief to ensure that loss relief is limited to UK losses, thereby providing relief only for companies that the UK can tax. It also amends the rules restricting the amount of losses foreign companies with a UK branch can surrender to UK companies, bringing companies resident in the European economic area in line with companies resident in the rest of the world.

Cross-border group relief provides UK companies with the ability to claim relief for the losses of their EEA resident group companies, even though the UK is unable to tax any profit made by those companies. The UK cross-border relief rules were introduced in 2006, owing to a 2005 decision by the Court of Justice of the European Union that found the previous rules to be incompatible with the EU freedom of establishment principle.

Under the current system, the UK Exchequer bears the cost of giving relief to UK companies for losses of EEA companies, as the latter pay no tax to the UK Government. The rules for restricting surrender of losses of a UK branch of a foreign company were also amended to be more favourable to EEA companies as a result of CJEU judgments. Favourable treatment for losses of EEA companies or UK branches of EEA companies is not right, and is inconsistent with our approach to the rest of the world, especially now that the UK has left the EU and is no longer bound by EU law.

Clause 24 will principally affect large, widely-held corporate groups, and will ensure both equal treatment of losses of companies in EEA and non-EEA countries and protection for the UK Exchequer against unfair outcomes. Historically, group relief was available only for losses of UK companies or UK branches, so the abolition of cross-border group relief and the alignment of branch rules is a reversion to a previously accepted position. Other countries generally do not give cross-border loss relief, so abolishing it would be very much in line with the international mainstream.

In summary, the change will allow the UK to depart from this historic position and more effectively pursue its fiscal policy objectives. I therefore commend the clause to the Committee.

Abena Oppong-Asare: As we have heard, clause 24 concerns cross-border group relief and is accompanied by schedule 4. The clause and schedule repeal legislation that provides for group relief for losses incurred outside the UK and amend legislation that provides for group relief for losses incurred in the UK permanent establishment of an EEA resident company.

Following the UK's exit from the EU, the Government are bringing group relief relating to EEA resident companies into line with relief for non-UK companies resident elsewhere in the world. Claims involving companies established in the EEA are currently subject to more favourable rules in the UK relating to relief for non-UK losses and losses incurred by the UK permanent establishment of a foreign company.

These rules were introduced to give effect to the UK's obligations as a member state of the EU. Having left the EU, the UK is no longer required to maintain those rules, and it is inconsistent to treat groups with EEA resident companies more favourably than those with companies resident elsewhere in the world. The clause therefore removes that inequality by aligning group relief rules for all non-UK companies.

The changes to legislation made by the clause broadly restore the group relief rules to what they were before separate rules were introduced for EEA resident companies in line with EU law. We do not oppose this measure, as it rightly removes an inequality between companies and contributes towards a level playing field.

Lucy Frazer: I thank the hon. Lady for indicating her support for clause 24, and I commend it to the Committee.

Question put and agreed to.

Clause 24 accordingly ordered to stand part of the Bill.

Schedule 4 agreed to.

Clause 25

Tonnage tax

Question proposed, That the clause stand part of the Bill.

The Exchequer Secretary to the Treasury (Helen Whately): It is a pleasure to serve under your chairmanship, Sir Christopher.

Clause 25 reforms the UK's tonnage tax regime from April 2022, with the aim that more firms will base their headquarters in the UK, using the UK's world-leading maritime services industry and flying the UK flag. The UK tonnage tax regime was introduced in 2000 to improve the competitiveness of the UK shipping industry. It is a special elective corporation tax regime for operators of qualifying ships. Now that the UK has left the European Union, the Government will make substantive reforms to the regime for the first time since it was introduced, to help the UK shipping industry grow and compete in the global market. The reforms will make it easier for shipping companies to move to the UK, make sure that they are not disadvantaged compared to firms operating in other countries and reduce administrative burdens.

Clause 25 will make changes to the tonnage tax legislation contained in schedule 22 to the Finance Act 2000 to reform the regime from April 2022. Specifically, it will give effect to the following measures announced at the autumn Budget in 2021. The Government will give HMRC more discretion to admit companies to the regime outside the initial window of opportunity, where there is a good reason. The Government will reduce the lock-in period for companies participating in the tonnage tax regime from 10 to eight years, aligning the regime more closely with shipping cycles.

Now that the UK has left the EU, the Government will remove the consideration of flags from EU and EEA countries. Following this legislative change, HMRC will update its guidance to encourage the use of the UK flag by making it an important factor in assessing the value that companies who want to participate in tonnage tax will bring to the UK in the strategic and commercial management test. Finally, following the UK's departure from the EU, the Bill will simplify a rule that may include distributions of related overseas shipping companies in relevant shipping profits.

These changes to modernise the tonnage tax regime will make sure that the UK's maritime and shipping industries can compete in the global shipping market, bringing jobs and investment to nations and regions across the UK. I commend the clause to the Committee.

Abena Oppong-Asare: I thank the Minister for her explanation of clause 25, which makes amendments to the tonnage tax regime. Tonnage tax is a special elective corporation tax regime open to operators of qualifying ships that fulfil certain conditions. The amendments will have effect from 1 April next year. At the autumn Budget in 2021, the Government announced that they would introduce a package of measures to reform the

[Abena Oppong-Asare]

UK's tonnage tax regime from April 2022, which they say aims to ensure that the British shipping industry remains highly competitive in the global market. As part of the package, the Government say these amendments support their aim of simplifying the operation of tonnage tax legislation and making it more flexible following the UK's departure from the European Union. Clause 25 gives effect to some of these measures by amending the tonnage tax legislation contained in schedule 22 to the Finance Act 2000, as the Minister said.

In his Budget speech on 27 October, the Chancellor of the Exchequer said:

> "When we were in the old EU system, ships in the tonnage tax regime were required to fly the flag of an EU state, but that does not make sense for an independent nation. So I can announce today that our tonnage tax will, for the first time ever, reward companies for adopting the UK's merchant shipping flag, the red ensign. That is entirely fitting for a country with such a proud maritime history as ours."—[*Official Report*, 27 October 2021; Vol. 702, c. 282.]

2.15 pm

Unfortunately, TaxWatch has pointed out that the proposed reforms will do no such thing. In fact, TaxWatch has described them as a retrograde step. As the Minister mentioned, the clause will remove the flagging requirement that requires ships to be registered in EU registers, but it does not replace it with anything. Companies will qualify for the tonnage tax regime regardless of where they register their ships, whether it be in Panama, Libya, Bermuda or any other flag of convenience. Can the Minister explain why that is the case? Moreover, we find it deeply regrettable that the Chancellor of the Exchequer, as Mr Speaker put it, ran "roughshod" over Parliament in briefing the press on the tonnage tax before informing Parliament.

I would be grateful if the Minister could respond to two points. First, can she comment on whether she personally feels it is acceptable for a Government Minister, or officials acting on their behalf, to brief the press on Budgets before the House of Commons? Secondly, what assessments has she made of the consequences of this premature briefing, in terms of whether any private company or individual could have profited from advance knowledge of legislation before it was presented to Parliament?

Alison Thewliss (Glasgow Central) (SNP): I support the comments made by the Labour Front-Bench spokesperson on this issue. Switching flag is the most crazy kind of gesture politics. Would it not have been better to look at green shipping? That would create a tax incentive for the industry, which is one of the leading contributors to emissions, to transfer to better forms of power, to reduce its carbon emissions and to have some positive impact on global emissions and the net zero target, rather than pursuing the gesture politics of switching flags on a ship.

Helen Whately: As I set out, the clause reforms the UK's current tax regime to help the UK shipping industry grow and compete in a competitive global market. Overall, this will be to the benefit of our maritime industry and, therefore, to the UK as a whole, supporting GDP, tax revenues and jobs in the UK.

I will pick up on a couple of comments made by the Opposition Front-Bench spokespeople. On the points made by the hon. Member for Erith and Thamesmead, the clause is all about helping our shipping industry compete in a global market and making sure firms are not disadvantaged compared to those operating in other countries. It comes at a minimal cost to the Exchequer and we expect to see tax revenues in the sector increase as a result, because it will mean that more shipping groups are likely to headquarter in the UK. That will bring tax advantages and benefits to the UK, as well as tens of thousands of jobs that relate to that.

On the second point that the hon. Member made, I emphasise that the Treasury takes the recommendations of the Macpherson review very seriously and follows them in full. The reforms to our tax regime were rightly announced some months before they will come into force, in April next year.

The hon. Member for Glasgow Central talked about environmental factors. As part of the reforms, HMRC expects to update the guidance on assessing eligibility for the tonnage tax regime, and environmental factors will be considered as part of that, so it can help us on decarbonisation actions and ambitions.

Abena Oppong-Asare: I thank the Minister for her explanations. Has an assessment been made of whether anyone profited as a result of the Chancellor's premature announcement to the press? Has any assessment been carried out?

Helen Whately: I emphasise what I said a moment ago: the Treasury followed in full the approach that should be taken, as set out in the Macpherson review in 2013. The Government's tonnage tax reforms will ensure that the UK's maritime and shipping industries remain highly competitive and bolster our reputation as a great maritime nation.

Question put and agreed to.

Clause 25 accordingly ordered to stand part of the Bill.

Clause 26

Amendments of section 259GB of TIOPA 2010

Question proposed, That the clause stand part of the Bill.

Lucy Frazer: Clause 26 makes a change to ensure that corporation tax rules for hybrids and other mismatches operate proportionately in relation to certain types of transparent entity. Following recommendations by the OECD, the UK was the first country to implement anti-hybrid rules in 2017. These rules tackle aggressive tax planning by multinational companies that seek to take advantage of differences in how jurisdictions view financial instruments and entities.

With the benefit of three years' experience of operating the rules, and with other countries following suit and introducing their own version of the rules, the Government launched a wide-ranging consultation on this area of legislation at Budget 2020. Following that consultation, several amendments were made to the rules in the Finance Act 2021, but the change that we are now considering, relating to transparent entities, was withdrawn from that Bill to allow the Government additional time to consult stakeholders, so that they could ensure that the amendment had no unintended conse-quences.

We have had further engagement with stakeholders, and the amendment now provides for the specific change for transparent entities that the Government committed to making following last year's consultation. The change made by the clause is technical and will impact multinational groups with a UK presence that are involved in transactions with certain types of entity that are seen as transparent, for tax purposes, in their home jurisdictions. Following the changes, this type of entity will be treated in the same way as partnerships in the relevant parts of the rules for hybrids and other mismatches. It is important that these rules are robust in tackling international tax planning, but also that they are not disproportionately harsh in their application.

Abena Oppong-Asare: The Minister clarified what the clause does. We do not oppose the clause.

Question put and agreed to.

Clause 26 accordingly ordered to stand part of the Bill.

Clause 29

Insurance contracts: change in accounting standards

Question proposed, That the clause stand part of the Bill.

The Chair: With this it will be convenient to discuss that schedule 5 be the Fifth schedule to the Bill.

Lucy Frazer: Clause 29 introduces a power to lay regulations before Parliament in connection with the new international accountancy standard for insurance contracts, known as IFRS 17, introduced by the International Financing Reporting Standard Foundation. These regulations will allow the Government to spread the transitional impact of IFRS 17 for tax purposes, and to revoke the requirement for life insurers writing basic life assurance and general annuity business to spread their acquisition expenses over seven years for tax purposes. The corporation tax liabilities of insurers are based on their accounting profit. IFRS 17 will apply to companies that prepare their accounts under international accounting standards and is expected to become mandatory for accounting periods beginning on or after 1 January 2023, subject to its endorsement by the UK Endorsement Board.

Depending on the types of insurance business written, adoption of IFRS 17 will create a large, one-off transitional accounting profit or loss for many insurers. The Government expect that spreading these one-off transitional profits and losses for tax purposes will greatly reduce volatility in Exchequer receipts and should also help to mitigate the cash flow and regulatory impacts of the accounting change. This will support the long-term stability of the insurance sector in the UK and contribute to the UK maintaining its position as a leading financial services centre.

The adoption of IFRS 17 will also make it more complex for life insurers writing basic life assurance and general annuity business to undertake the necessary calculations to spread their acquisition expenses over seven years for tax purposes, as currently required. Additionally, commercial changes in the life insurance market mean that the need for this requirement has reduced in recent years. Removing it for all life insurers writing basic life assurance and general annuity business, and instead following accounting treatment for tax purposes, will be a welcome simplification. The details of the final legislation will be informed by a consultation that was published alongside the "Tax Administration and Maintenance" Command Paper on 30 November.

The clause will allow the Government to respond to the potentially large and one-off tax implications caused by the adoption of the new international standard for insurance contracts, IFRS 17. I therefore recommend that the clause and schedule 5 stand part of the Bill.

Abena Oppong-Asare: As we have heard, clause 29 sits alongside schedule 5 and refers to insurance contracts and changes in accounting standards. As the Minister has mentioned, the clause has an enabling power that will allow the Government to make provisions in secondary legislation in connection with international financial reporting standard 17, and to revoke the requirement for all life insurance companies to spread acquisition costs over seven years for tax purposes.

The corporation tax liabilities of insurers are based on their accounting profit, and many insurers prepare their accounts under international accounting standards. The new international accounting standard for insurance contracts, IFRS 17, is expected to become mandatory for periods of account beginning on or after 1 January 2023, subject to its endorsement by the UK Endorsement Board. IFRS 17 will affect the timing of recognition of insurers' profits and losses, and its adoption will create transitional accounting profits or losses, which we understand may have significant regulatory consequences. We recognise that the Government will need powers to be able to deal with the tax implications of IFRS 17.

The removal of the requirement for all life insurance companies to spread their acquisition costs over seven years for tax purposes is a simplification that has been allowed by IFRS 17. We welcome the simplification of tax arrangements and do not oppose the clause, but can the Minister tell us what provision will be put in place for insurers, for whom the change in accounting standards could cause a transitional administrative burden?

Lucy Frazer: I thank the hon. Member for her question, but the whole purpose of the clause, which will allow costs to be spread over a number of years, is to make things easier for insurers. I am glad that she is satisfied that the clause is sensible, and I am very grateful for her support for this provision. I ask that the clause stand part of the Bill.

Question put and agreed to.

Clause 29 accordingly ordered to stand part of the Bill.

Schedule 5 agreed to.

Clause 30

Deductions allowance in connection with onerous or impaired leases

Question proposed, That the clause stand part of the Bill.

Lucy Frazer: Clause 30 makes technical amendments to the corporate loss relief rules introduced in 2017. They ensure that the rules continue to operate as originally intended and that eligible companies can claim the relief

[Lucy Frazer]

to which they are entitled. When a company makes a loss, it can carry forward that loss and use it to offset its taxable profits in the future.

The Finance (No. 2) Act 2017 reformed the UK's loss relief regime. The corporation tax loss rules restrict set-off for carried-forward losses for large companies. In general, this means that only 50% of the current-year profits above the deductions allowance of £5 million can be covered by carried-forward losses. The restriction does not apply to accounting profits stemming from lease renegotiations that are aimed at preserving a company's ability to continue trading. The impact of covid and the associated restrictions on businesses has resulted in an increase in the restructuring and renegotiation of leases. The introduction of a new accounting standard has meant that the legislation needs amending to cover the change in accounting treatment for leases, as without that, the lease renegotiations providing companies with the opportunity to remain in business will result in a prohibitive tax charge, which may instead force them into insolvency.

2.30 pm

The changes made by clause 30 will ensure that companies in financial distress continue to benefit from full relief for carried-forward losses that offset accounting profits arising from lease negotiations, regardless of the accounting standard they adopt. The clause introduces a technical amendment to ensure that corporation tax loss relief rules work as intended, ensuring that companies in financial distress can access relief for their carried-forward losses.

Abena Oppong-Asare: Clause 30 concerns deductions allowance in connection with onerous or impaired leases. The clause amends sections of the Corporation Tax Act 2010 to ensure that the legislation continues to work as intended. It does so by continuing to provide an exemption from the loss reform rules for companies in connection with onerous or impaired leases in specific circumstances. As the Minister said, the measure enables such companies to obtain full relief for carried-forward losses that offset profits arising from lease renegotiations where they adopt international financial reporting standard 16.

Loss reform was introduced in section 18 of schedule 4 to the Finance Act 2017, and had effect from 1 April 2017. The reform made two main changes. It increased a company's flexibility to offset carried-forward losses either against the company's own total profits in latter periods or in form of a group relief in a later period. Additionally, it limited the amount of profit against which carried-forward losses can be set. Each group or a company that is not part of a group has an annual deductions allowance of £5 million in profit. Carried-forward losses can be set against that amount, which is restricted to a maximum of 50% of a company's total profits for the period. The restriction to carried-forward losses was extended to include corporate capital losses with effect from 1 April 2020. Having reviewed the clause, the Opposition do not oppose it.

Lucy Frazer: I am grateful for the fact that the Opposition do not intend to oppose the clause.

Question put and agreed to.

Clause 30 accordingly ordered to stand part of the Bill.

Clause 31

Provision in connection with the Dormant Assets Act 2022

Question proposed, That the clause stand part of the Bill.

The Chair: With this it will be convenient to discuss that schedule 6 be the Sixth schedule to the Bill.

Lucy Frazer: The Committee will be disappointed to learn that this is probably the last clause that we will deal with today. It introduces schedule 6, which supports the expansion of the dormant assets scheme to a wider range of assets. The clause ensures that where an asset is transferred into the dormant asset scheme and an individual later makes a successful claim to the ownership of that asset, they are in the same position for capital gains tax purposes that they would have been in without the scheme.

The dormant asset scheme enables funds from dormant bank and building society accounts to be channelled towards social and environmental initiatives. The scheme allows dormant funds to be unlocked for good causes, while protecting the original asset owner's legal right to reclaim the amount that would have been paid to them had a transfer into the scheme not occurred.

In 2021, following a consultation, the Government announced their intention to expand the scheme to include assets from the pensions, insurance, investments and securities sectors. The process of transferring the assets into the scheme could, in certain cases, qualify as a disposal for CGT purposes, resulting in neither a gain nor a loss. As the asset owner cannot be located and does not know that the transfer has occurred, it is not appropriate or feasible for the tax to be paid by the individual at the point of transfer to the scheme, or for a notice of a loss to be made. The change made by the scheme addresses that by ensuring that a CGT charge arises only where a person comes forward to claim the asset. That ensures that the individual remains in the same position for tax purposes that they would have been in had the asset not been transferred into the dormant asset scheme.

Where the asset had previously been held in an individual savings account, changes made by the schedule ensure that no income or CGT arises when the asset is reclaimed. That ensures that savers in ISAs are not disadvantaged by their accounts being transferred into the scheme. The scheme also updates references in the existing legislation to ensure that it reflects the widest scheme created by the Dormant Assets Bill.

The schedule will commence only on the making of a Treasury order, because the Dormant Assets Bill is not yet law. The intention is to lay the necessary commencement order before Parliament when that Bill becomes law. For that reason, the schedule contains time-limited powers that allow the Treasury to make changes by secondary legislation if changes to the Dormant Assets Bill result in additional tax issues. The Government believe that the provisions strike the right balance between supporting good causes and taxpayer fairness.

Abena Oppong-Asare: As we have heard, clause 31 and schedule 6 concern the Dormant Assets Bill. The changes broadly ensure that individuals remain in the same position for tax purposes as they would have done had the assets not been transferred into the dormant assets scheme. Overall, we do not oppose the measure, but we are aware that the Chartered Institute of Taxation has concerns about the availability of accessible guidance to those making a claim under the dormant assets scheme who may be unaware of the tax consequences of their actions. Will the Minister clarify when guidance will be issued?

Lucy Frazer: I am grateful for the hon. Member's indication that the Opposition will not oppose this measure. HMRC does generally provide guidance, and I am very happy to update the hon. Member on any guidance on this issue.

Question put and agreed to.

Clause 31 accordingly ordered to stand part of the Bill.

Schedule 6 agreed to.

The Chair: I wish all Members a merry Christmas and a happy and healthy new year, and I extend that to the Clerks and officials and everybody involved with the Bill.

Ordered, That further consideration be now adjourned—*(Alan Mak.)*

2.37 pm

Adjourned till Wednesday 5 January at half-past Three o'clock.

Written evidence reported to the House

FB01 Low Incomes Tax Reform Group (LITRG) (re: Clause 10 Increase of normal minimum pension age)

FB02 Chartered Institute of Taxation (CIOT) (Clause 23 Capital gains tax: disposal of UK land etc.)

FB03 Chartered Institute of Taxation (CIOT) (Clause 31 and Schedule 6 Dormant Assets)

FB04 Chartered Institute of Taxation (CIOT) (Part 2 (clauses 32-52) Residential Property Developer Tax)

FB05 Chartered Institute of Taxation (CIOT) (Clauses 9-11; Clause 98 Employment Taxes)

FB06 The Institute of Chartered Accountants in England and Wales (ICAEW) (Clause 94 and Schedule 15 (Notification of uncertain tax treatments by large businesses))

FB07 Chartered Institute of Taxation (CIOT) (clauses 16-22 – Creative reliefs)

FB08 Association of British Insurers (ABI)

FB09 British Property Federation (re: Residential Property Developer Tax in Part 2 of the Bill)

FB10 Scottish Widows