

Notes on Finance Bill 2015 Resolutions

- 1. Amendment of the law**
Authorises the Finance Bill to contain those provisions which do not impose or increase a tax charge, in particular provisions that give relief from tax or which deal with tax administration. It also restricts the scope for amendments to VAT.
- 2. Income tax (charge and main rates)**
Provides for the charge and main rates to apply for the 2015-16 tax year.
- 3. Income tax (limits and allowances)**
Provides for the amount of the income limit for the personal allowance for those born before 6 April 1938, the blind person's allowance, the minimum amount of the tax reduction for married couples and civil partners; the tax reduction for married couples and civil partners and the income limit for the tax reduction for married couples and civil partners for the 2015-16 tax year.
- 4. Personal allowances for 2015-2016**
Provides for the personal allowance for those born after 5 April 1938 and the amount of the transferable tax allowance for married couples and civil partners for 2015-16.
- 5. Corporation tax (charge and main rate for financial year 2016)**
Authorises the Finance Bill to contain provision for corporation tax to be charged for the financial year 2016 (the year beginning 1 April 2016) and for that year the main rate to be 20%.
- 6. Taxable benefits (diesel cars)**
Provides for the Finance Bill to contain provision for a change to Chapter 6 of Part 3 of the Income Tax (Earnings and Pensions) Act 2003 (taxable benefits: cars, vans and related benefits) to be introduced to increase the maximum appropriate percentage for diesel cars to 37% for the tax year 2015-16.
- 7. Taxable benefits (vans)**
Provides for the Finance Bill to contain provision for changes to Chapter 6 of Part 3 of the Income Tax (Earnings and Pensions) Act 2003 (taxable benefits: cars, vans and related benefits) to be introduced to amend the cash equivalent of the benefit of a van for the tax years 2015-16, 2016-17, 2017-18, 2018-19 and 2019-20.
- 8. Travel expenses of members of local authorities etc.**
Provides for an income tax exemption for qualifying payments made by a relevant authority in respect of travel expenses incurred by a member of the authority. The exemption will apply to a qualifying journey between a member's home and permanent workplace where the home is in the area of the authority or no more than 20 miles outside the boundary of the area. This change will have effect from 6 April 2015.
- 9. Income tax (exemption for trivial benefits provided by employers)**
Provides for a new exemption for trivial benefits in kind. This amendment has effect for the tax year 2015-16 and subsequent tax years.
- 10. Income tax (PAYE)**
Authorises the Finance Bill to provide for collection of income tax on benefits in kind through the Pay As You Earn system.

- 11. Distributions**
Authorises the Finance Bill to provide for changes to what is treated as a company distribution where the recipient has an element of choice.
- 12. Disguised investment management fees**
Authorises the Finance Bill to make provision about sums arising to individuals who perform investment management services.
- 13. Losses from miscellaneous transactions**
Authorises the Finance Bill to make provision (including provision having retrospective effect) for amendment of Chapter 7 of Part 4 of the Income Tax Act 2007 (losses from miscellaneous transactions).
- 14. Remittance basis of taxation**
Authorises the Finance Bill to provide for increases in the charges payable by certain non-domiciled UK residents who claim the remittance basis, with effect from 6 April 2015.
- 15. Loan relationships**
Authorises the Finance Bill to provide for amendments, including with retrospective effect, to corporation tax rules on loan relationships.
- 16. Intangible fixed assets**
Authorises the Finance Bill to provide for changes to the corporation tax treatment of intangible fixed assets.
- 17. Expenditure on research and development**
Authorises the Finance Bill to provide for changes to the relief for research and development expenditure. These modify the circumstances in which the cost of consumable materials or items can be claimed, improving the focus of the relief.
- 18. Deductions for carried-forward losses**
Authorises the Finance Bill to make provision (including provision having retrospective effect) restricting the amount of deductions which banks and certain other kinds of companies may make when calculating their profits for the purposes of corporation tax in respect of certain losses carried forward from previous accounting periods.
- 19. Pensions**
Authorises the Finance Bill to provide for the taxation of pensions.
- 20. Pension flexibility (beneficiaries' annuities etc)**
Provides for prescribed pension annuities and other pensions, paid in respect of deceased members to be authorised payments from 6 April 2015.
- 21. Enterprise investment scheme**
Authorises the Finance Bill to provide for changes to the rules for income tax relief in respect of the Enterprise Investment Scheme, including provisions having retrospective effect.
- 22. Venture capital trusts**
Authorises the Finance Bill to provide for changes to the rules for income tax relief in respect of Venture Capital Trusts.

- 23. Investment reliefs (social investments)**
Authorises the Finance Bill to provide for changes to the social investment tax relief including provisions having retrospective effect.
- 24. Chargeable gains**
Authorises the Finance Bill to contain provisions (including provisions having retrospective effect) which amend the Taxation of Chargeable Gains Act 1992, or which make amendments connected with that Act.
- 25. Capital allowances**
Authorises the Finance Bill to make provision about capital allowances. It authorises the Finance Bill to provide for the extension of enhanced capital allowances for zero-emission goods vehicles to 31 March 2018 for persons within the charge to corporation tax, and to 5 April 2018 for income tax. It also authorises the Finance Bill to provide for amendment to certain anti-avoidance rules in Part 2 of Capital Allowances Act 2001.
- 26. Allowances relating to oil activities**
Authorises the Finance Bill to provide for the introduction of the investment and cluster area allowances to reduce a company's adjusted ring fence profits, and to remove the availability of new oil field allowances from 1 January 2016 and of additionally-developed oil field allowance from 1 April 2015.
- 27. Alcoholic liquor duty (rates)**
Provides for reductions in the rates of excise duty charged on spirits, general beer duty beer, still cider, sparkling cider not exceeding 5.5% and wine and made-wine exceeding 22%. Provides for an increase in the rate of excise duty on high strength beer which, in combination with the reduction in the standard rate of duty on beer, results in an overall reduction in the total duty rate on high strength beer. Provides for the changes to take effect from 23 March 2015.
- 28. Tobacco products duty (rates)**
Provides for changes to the rates of duty on tobacco products, set out in the Table in Schedule 1 to the Tobacco Products Duty Act 1979, to come into force at 6pm on 18 March 2015.
- 29. Fuel duty (aqua methanol)**
Authorises the Finance Bill to provide for the charging of excise duty on liquid fuel consisting of a mixture of methanol and water and to make provision for and in connection with the charge. This will have effect on and after 1 April 2015.
- 30. Vehicle excise duty (rates for light passenger vehicles etc.)**
Provides for changes to certain rates of vehicle excise duty applying to light passenger vehicles (cars), light goods vehicles (vans), motorcycles and motorcycle trade licences in relation to licences taken out on or after 1 April 2015.
- 31. Climate change levy (rates)**
Authorises the Finance Bill to provide for amending the main rates of climate change levy (CCL) within Schedule 6 to the Finance Act 2000.
- 32. Climate change levy (combined heat and power stations)**
Provides for Schedule 6 to the Finance Act 2000 to be amended so that operators of combined heat and power (CHP) stations do not pay the carbon price support rates of climate change levy on commodities used to generate good quality electricity used

on-site. This applies to commodities that are brought onto or arrive at a CHP station on or after 1 April 2015.

- 33. Landfill tax (rates)**
Authorises the Finance Bill to contain provision for the rates of landfill tax taking effect in a future year.
- 34. Landfill tax (material consisting of fines)**
Provides for the introduction of a new testing regime (from 1 April 2015) to help landfill site operators to identify the landfill tax liability of waste fines disposed of at landfill sites in England, Wales and Northern Ireland.
- 35. Value added tax (refunds to certain charities)**
Authorises the Finance Bill to provide for certain charities to be eligible for refunds of VAT on non-business activities.
- 36. Value added tax (refunds to strategic highways companies)**
Authorises the Finance Bill to provide for strategic highways companies to be eligible for refunds of VAT incurred on purchases listed in a Treasury direction.
- 37. Annual tax on enveloped dwellings (annual chargeable amounts)**
Provides for the amendment made to section 99 Finance Act 2013 increasing the annual chargeable amounts for properties valued at more than £2 million, to have effect for the chargeable period beginning 1 April 2015.
- 38. Annual tax on enveloped dwellings (5-yearly valuations)**
Authorises the Finance Bill to contain provision amending section 102 of Finance Act 2013 (taxable value), to have effect for the chargeable period beginning 1 April 2015.
- 39. Annual tax on enveloped dwellings (interests held by connected persons)**
Provides for the amendment made to section 110(2) of Finance Act 2013 (interests held by connected persons), to have effect for the chargeable period beginning 1 April 2015.
- 40. Bank levy (rates)**
Authorises the Finance Bill to contain provision about the rates of the bank levy.
- 41. Diverted profits tax**
Authorises the Finance Bill to provide for the imposition of a new tax on profits arising to a company.
- 42. Accelerated payments**
Authorises the Finance Bill to provide for amendments to Part 4 of the Finance Act 2014 to enable the accelerated payments legislation to apply where losses or other amounts are surrendered as group relief.
- 43. Relief from tax (incidental and consequential charges)**
Authorises the Finance Bill to make provision for incidental or consequential charges to any duty or tax (including charges having retrospective effect) that may arise from provision designed in general to afford relief from taxation.

PROCEDURE (FUTURE TAXATION)

Authorises the Finance Bill to contain provision (to take effect in a future year):

- (a) for the basic rate limit for the purposes of income tax;
- (b) for personal allowances for the purposes of income tax;
- (c) for corporation tax to be charged for the financial year 2016, (the year beginning 1 April 2016);
- (d) for the tax treatment of certain employment related expenses and benefits;
- (e) for an extension, from 1 April 2016 to the exemption for old vehicles in Schedule 2 to the Vehicle Excise and Registration Act 1994 to include vehicles constructed before 1 January 1976;
- (f) for the main rates of climate change levy (CCL) on and after 1 April 2016;
- (g) for the rates of landfill tax taking effect in a future year; and
- (h) amending section 102 of Finance Act 2013 (taxable value), to have effect for the chargeable period beginning 1 April 2015.

PROCEDURE (TELEVISION TAX RELIEF)

Authorises the Finance Bill to provide for tax credits to be paid to television production companies in respect of expenditure or losses on television production activities in connection with children's television programmes and other qualifying television programmes.

PROCEDURE (WHOLESALEERS OF ALCOHOL)

Authorises the Finance Bill to provide for HM Revenue & Customs to approve and register wholesalers of alcohol sold at or after the excise duty point.

PROCEDURE (COUNTRY-BY-COUNTRY REPORTING)

Authorises the Finance Bill to provide for the implementation of country-by-country reporting in accordance with Organisation for Economic Co-operation and Development (OECD) guidelines.

FINANCE (MONEY)

Authorises the Finance Bill to provide for the payment:

- (a) out of money provided by Parliament of the expenditure incurred by HM Revenue and Customs in connection with the approval and registration of wholesalers of alcohol sold at or after the excise duty point.
- (b) out of the National Loans Fund or the Consolidated Fund of sums required to redeem, or to meet expenses incurred in connection with the redemption of, government stock.