

Mr Gordon Brown (Labour – Dunfermline East)

New Clause 13

To move the following Clause:

‘(1) In section 1(4)(b) of the Provisional Collection of Taxes Act 1968 (c. 2) (circumstances in which a resolution affecting income tax etc ceases to have effect), for “Standing Committee” substitute “Public Bill Committee”.

(2) In section 50(2)(a) of FA 1973 (corresponding provision for stamp duty), for “Standing Committee” substitute “Public Bill Committee”.’.

EXPLANATORY NOTE

SUMMARY

1. New Clause 13 amends existing tax legislation to ensure references to House of Commons Committees reflect recent changes to the Standing Orders of the Commons replacing ‘Standing Committees’ with ‘Public Bill Committees’.

DETAILS OF THE CLAUSE

2. Subsection (1) of New Clause 13 substitutes “Public Bill Committee” for “Standing Committee” in section 1(4)(b) of the Provisional Collection of Taxes Act.

3. Subsection (2) of New Clause 13 substitutes “Public Bill Committee” for “Standing Committee” in section 50(2)(a) of the Finance Act 1973.

BACKGROUND NOTE TO NEW CLAUSE

4. From the start of the 2006-2007 Parliamentary session, Standing Committees on Bills have been renamed ‘Public Bill Committees’.
5. There are two references to “Standing Committee” in primary tax legislation. New Clause 13 replaces these references with references to “Public Bill Committee”.
6. Section 1 of the Provisional Collection of Taxes Act 1968 provides temporary statutory effect for House of Commons resolutions made in relation to certain taxes and duties. Section 1(4) sets out when a resolution ceases to have effect. The normal case of resolutions passed at the end of the Budget debate (e.g. altering rates of tax) is dealt with by paragraph (a): a Bill covering those resolutions must have its second reading within 30 sitting days of the passing of those resolutions. Paragraph (b) (which New Clause 13 amends) deals with a resolution passed at a later time: in that case the Bill must be amended (whether by any Standing Committee of the House or by the House in Committee or on Report) to include the provision covered by the resolution within 30 sitting days of the passing of the resolution.
7. Section 50 of the Finance Act 1973 contains a corresponding provision for stamp duty.