



**SUPPLEMENT TO THE VOTES AND PROCEEDINGS**

**Tuesday 3 July 2012**

**REPORT STAGE PROCEEDINGS**

---

**FINANCE BILL, AS AMENDED**

*[SECOND DAY]*

---

*NEW CLAUSES, AMENDMENTS TO CLAUSES, NEW SCHEDULES AND AMENDMENTS TO SCHEDULES RELATING TO VALUE ADDED TAX*

*Face-value vouchers*

Mr Chancellor of the Exchequer

*Added NC4*

To move the following Clause:—

‘(1) In Schedule 10A to VATA 1994 (face-value vouchers), after paragraph 7 insert—

*“Exclusion of single purpose vouchers*

7A Paragraphs 2 to 4, 6 and 7 do not apply in relation to the issue, or any subsequent supply, of a face-value voucher that represents a right to receive goods or services of one type which are subject to a single rate of VAT.”

- (2) The amendment made by subsection (1) has effect in relation to supplies of face-value vouchers issued on or after 10 May 2012.
- (3) Subsection (4) applies where—
- (a) a face-value voucher issued before 10 May 2012 is used on or after that date to obtain goods or services,
  - (b) paragraphs 2 to 4, 6 and 7 of Schedule 10A to VATA 1994 would not have applied in relation to the issue, or any subsequent supply, of the voucher because of paragraph 7A of that Schedule if the voucher had been issued on or after 10 May 2012, and
  - (c) VAT is not payable under the law of another member State on the supply of the voucher to the user.
- (4) The use of the voucher is to be treated for the purposes of VATA 1994 as a supply of the goods or services by the person from whom they are obtained to the user of the voucher.’
-

**Finance Bill, continued***Sixth form colleges (exemption from VAT)*

Mr Frank Field

*Not called* **NC3**

To move the following Clause:—

‘In Schedule 9 to the Value Added Tax Act 1994 (Exemptions), in Group 6 (Education), the following shall be added at the end of Note (1) (description of eligible body)—

“(g) a sixth form college”.’.

*VAT: review*

Ed Balls  
Rachel Reeves  
Catherine McKinnell  
Chris Leslie  
Cathy Jamieson

*Not called* **NC10**

To move the following Clause:—

‘No new Order shall be made under section 30(4) or 31(2) of the Value Added Tax Act 1994 unless the Chancellor of the Exchequer has fully reviewed the impact of any such Order on jobs, living standards and businesses, making reference to the HMRC Consultation “VAT: Addressing Borderline Anomalies”, and placed a copy of the review in the Library of the House of Commons.’.

*Rate of VAT*

Ed Balls  
Rachel Reeves  
Catherine McKinnell  
Chris Leslie  
Cathy Jamieson

*Negated on division* **NC12**

To move the following Clause:—

- ‘(1) In section 2(1) of the Value Added Tax Act 1994 (Rate of VAT) for “20 per cent.” substitute “17.5 per cent.”.
- (2) Subsection (1) shall have effect from Royal Assent and shall expire at such time as the Government presents to Parliament a report stating that the UK economy has returned to strong growth.’.

---

**Finance Bill, continued**

Mr Chancellor of the Exchequer

*Agreed to* 17Page 115, line 3 [*Clause 195*], at end insert—

- ‘(1) Schedule (*Categorisation of supplies*) contains provision about the categorisation of supplies for the purposes of value added tax.’.

Mr Chancellor of the Exchequer

*Added on division* NS1

To move the following Schedule:—

## ‘CATEGORISATION OF SUPPLIES

## PART 1

## ZERO-RATED SUPPLIES

*Introductory*

- 1 Part 2 of Schedule 8 of VATA 1994 (zero-rating) is amended as follows.

*Food*

- 2 (1) Group 1 (food) is amended as follows.

- (2) After excepted item 4 insert—

“4A Sports drinks that are advertised or marketed as products designed to enhance physical performance, accelerate recovery after exercise or build bulk, and other similar drinks, including (in either case) syrups, concentrates, essences, powders, crystals or other products for the preparation of such drinks.”

- (3) In Note (3), omit the words from “and for the purposes of paragraph (b) above” to the end.

- (4) After that Note insert—

“(3A) For the purposes of Note (3), in the case of any supplier, the premises on which food is supplied include any area set aside for the consumption of food by that supplier’s customers, whether or not the area may also be used by the customers of other suppliers.

- (3B) “Hot food” means food which (or any part of which) is hot at the time it is provided to the customer and—

- (a) has been heated for the purposes of enabling it to be consumed hot,  
 (b) has been heated to order,  
 (c) has been kept hot after being heated,  
 (d) is provided to a customer in packaging that retains heat (whether or not the packaging was primarily designed for that purpose) or in any other packaging that is specifically designed for hot food, or  
 (e) is advertised or marketed in a way that indicates that it is supplied hot.

- (3C) For the purposes of Note (3B)—

**Finance Bill, *continued***

- (a) something is “hot” if it is at a temperature above the ambient air temperature, and
  - (b) something is “kept hot” after being heated if the supplier stores it in an environment which provides, applies or retains heat, or takes other steps to ensure it remains hot or to slow down the natural cooling process.
- (3D) In Notes (3B) and (3C), references to food being heated include references to it being cooked or reheated.”

*Protected buildings*

- 3
- (1) Group 6 (protected buildings) is amended as follows.
  - (2) Omit items 2 and 3 (approved alterations and building materials).
  - (3) In Note (3), for “(12) to (14) and (22) to (24)” substitute “and (12) to (14)”.
  - (4) For Note (4) substitute—
    - “(4) For the purposes of item 1, a protected building is not to be regarded as substantially reconstructed unless, when the reconstruction is completed, the reconstructed building incorporates no more of the original building (that is to say, the building as it was before the reconstruction began) than the external walls, together with other external features of architectural or historic interest.”
  - (5) In Note (5), in paragraphs (a), (b) and (c) omit “or other supply”.
  - (6) Omit Notes (6) to (11).

*Caravans*

- 4
- (1) Group 9 (caravans and houseboats) is amended as follows.
  - (2) For item 1 substitute—
    - “1 Caravans which exceed the limits of size of a trailer for the time being permitted to be towed on roads by a motor vehicle having a maximum gross weight of 3,500 kilogrammes and which—
    - (a) were manufactured to standard BS 3632:2005 approved by the British Standards Institution, or
    - (b) are second hand, were manufactured to a previous version of standard BS 3632 approved by that Institution and were occupied before 6 April 2013.”
  - (3) In item 3 for “5(3)” substitute “5(4)”.
  - (4) In the Note for “item 3” substitute “item 4”.

Finance Bill, *continued*

## PART 2

## EXEMPT SUPPLIES

*Land: self storage and facilities to supply hairdressing services*

- 1 (1) In Part 2 of Schedule 9 to VATA 1994 (exemptions), Group 1 (land) is amended as follows.
- (2) In item 1, after paragraph (k) insert—  
“(ka) the grant of facilities for the self storage of goods;”.
- (3) In that item, omit “and” at the end of paragraph (m) and after that paragraph insert—  
“(ma) the grant of facilities to a person who uses the facilities wholly or mainly to supply hairdressing services; and”.
- (4) In that item, in paragraph (n), for “(m)” substitute “(ma)”.
- (5) After Note (15) insert—  
“(15A) In paragraph (ka)—  
“facilities for the self storage of goods” means the use of a relevant structure for the storage of goods by the person (or persons) to whom the grant of facilities is made, and  
“goods” does not include live animals.
- (15B) For the purposes of Note (15A), use by a person with the permission of the person (or any of the persons) to whom the grant of facilities is made counts as use by the person (or persons) to whom that grant is made.
- (15C) A grant of facilities for the self storage of goods does not fall within paragraph (ka) if—  
(a) the person making the grant (“P”)—  
(i) is doing so in circumstances where the relevant structure used is, or forms part of, a relevant capital item, and  
(ii) is connected with any person who uses that relevant structure for the self storage of goods,  
(b) the grant is made to a charity which uses the relevant structure solely otherwise than in the course of a business, or  
(c) in a case where the relevant structure is part of a building, its use for the storage of goods by the person (or persons) to whom the grant is made is ancillary to other use of the building by that person (or those persons).
- (15D) In Notes (15A) and (15C) “relevant structure” means the whole or part of—  
(a) a container or other structure that is fully enclosed, or  
(b) a unit or building.
- (15E) In Note (15C)(a)(i) “relevant capital item” means a capital item which—  
(a) is subject to adjustments of input tax deduction by P under regulations made under section 26(3), and  
(b) has not yet reached the end of its prescribed period of adjustment.”

**Finance Bill, continued**

(6) After Note (16) insert—

“(17) Paragraph (ma) does not apply to a grant of facilities which provides for the exclusive use, by the person to whom the grant is made, of a whole building, a whole floor, a separate room or a clearly defined area, unless the person making the grant or a person connected with that person provides or makes available (directly or indirectly) services related to hairdressing for use by the person to whom the grant is made.

(18) For the purposes of Note (17)—

- (a) “services related to hairdressing” means the services of a hairdresser’s assistant or cashier, the booking of appointments, the laundering of towels, the cleaning of the facilities subject to the grant, the making of refreshments and other similar services typically used in connection with hairdressing, but does not include the provision of utilities or the cleaning of shared areas in a building, and
- (b) it does not matter if the services related to hairdressing are shared with other persons.

(19) For the purposes of Notes (15C) and (17) any question whether a person is connected with any other person is to be determined in accordance with section 1122 of the Corporation Tax Act 2010 (connected person).”

## PART 3

## SUPPLIES CHARGEABLE AT REDUCED RATE

- 1 (1) Schedule 7A to VATA 1994 (charged at reduced rate) is amended as follows.
- (2) In Part 1 (index to reduced-rate supplies of goods and service), at the appropriate place insert—

“Caravans Group 12”

(3) In Part 2 (the groups), at the end insert—

“GROUP 12

CARAVANS

Item No

- 1 Supplies of caravans which exceed the limits of size of a trailer for the time being permitted to be towed on roads by a motor vehicle having a maximum gross weight of 3,500 kilogrammes.
- 2 The supply of such services as are described in paragraph 1(1) or 5(4) of Schedule 4 in respect of a caravan within item 1.

NOTE:

This Group does not include—

- (a) removable contents other than goods of a kind mentioned in item 4 of Group 5 of Schedule 8, or
- (b) the supply of accommodation in a caravan.”

---

**Finance Bill, *continued***

## PART 4

## COMMENCEMENT AND TRANSITIONAL PROVISION

- 1 (1) Subject to sub-paragraphs (2) and (3), the amendments made by this Schedule come into force on 1 October 2012.
- (2) Paragraphs 4 and 6 come into force on 6 April 2013.
- (3) Paragraph 3(2) to (6) comes into force, in relation to relevant supplies, on 1 October 2015.
- (4) A supply is “relevant” if it is—
  - (a) a supply of any services, other than excluded services, which is made—
    - (i) in the course of an approved alteration of a protected building, and
    - (ii) pursuant to a written contract entered into, or a relevant consent applied for, before 21 March 2012, or
  - (b) a supply of building materials which is made—
    - (i) to a person to whom the supplier is supplying services within paragraph (a) which include the incorporation of the materials into the building (or its site) in question, and
    - (ii) pursuant to a written contract entered into, or a relevant consent applied for, before 21 March 2012.
- (5) In relation to supplies made on or after 1 October 2012 but before 1 October 2015, Group 6 has effect as if, for the purposes of item 1 of that Group, a protected building were also regarded as substantially reconstructed if sub-paragraph (6) or (7) applies.
- (6) This sub-paragraph applies if at least three-fifths of the works carried out to effect the reconstruction (measured by reference to cost) are of such a nature that the supply of services (other than excluded services), materials and other items to carry out the works would, if supplied by a taxable person, be relevant supplies.
- (7) This sub-paragraph applies if—
  - (a) at least 10% (measured by reference to cost) of the reconstruction of the protected building was completed before 21 March 2012, and
  - (b) at least three-fifths of the works carried out to effect the reconstruction (measured by reference to cost) are of such a nature that the supply of services (other than excluded services), materials and other items to carry out the works would, if supplied by a taxable person, be relevant supplies but for the requirement for a written contract to have been entered into or relevant consent to have been applied for before that date.
- (8) For the purposes of sub-paragraph (4), works carried out that are not within the scope of the written contract entered into, or the relevant consent applied for, as it stood immediately before 21 March 2012, are not a supply made pursuant to that contract or relevant consent.
- (9) In this paragraph—

“excluded services” means the services of an architect, surveyor or other person acting as consultant or in a supervisory capacity;

“Group 6” means Group 6 of Part 2 of Schedule 8 to VATA 1994 (protected buildings);

“relevant consent” means—

  - (a) in the case of an ecclesiastical building to which section 60 of the Planning (Listed Buildings and Conservation Areas) Act 1990

**Finance Bill, continued**

applies, consent for the approved alterations by a competent body with the authority to approve alterations to such buildings, or

- (b) in any other case, consent under any provision of—
- (i) Part 1 of the Planning (Listed Buildings and Conservation Areas) Act 1990,
  - (ii) Part 1 of the Planning (Listed Buildings and Conservation Areas) (Scotland) Act 1997,
  - (iii) Part 5 of the Planning (Northern Ireland) Order 1991,
  - (iv) Part 1 of the Ancient Monuments and Archaeological Areas Act 1979, or
  - (v) Part 2 of the Historic Monuments and Archaeological Objects (Northern Ireland) Order 1995.

- (10) The Notes of Group 6 apply in relation to this paragraph as they apply in relation to that Group, except that in applying Notes (9), (10) and (11), references to item 2 are to be read as references to sub-paragraph (4) of this paragraph.’

---

Mr Chancellor of the Exchequer

Page 589, line 16 [*Schedule 26*], leave out sub-paragraph (1).

*Agreed to* 18

Mr Chancellor of the Exchequer

Page 589, line 24 [*Schedule 26*], after ‘a supply’ insert ‘of a description specified in paragraph 3’.

*Agreed to* 19

Mr Chancellor of the Exchequer

Page 589, line 28 [*Schedule 26*], leave out ‘the order’ and insert ‘the amendments made by Schedule (*Categorisation of supplies*)’.

---

*Agreed to* 20



---

**Finance Bill, continued**

*NEW CLAUSES AND NEW SCHEDULES RELATING TO THE TAXATION OF BANKS AND EMPLOYEES OF BANKS*

*Bank bonus tax*

Ed Balls  
Rachel Reeves  
Catherine McKinnell  
Chris Leslie  
Cathy Jamieson

*Negatived on division* **NC13**

To move the following Clause:—

‘The Chancellor of the Exchequer shall review how a bank bonus tax could be repealed and place a report in the library of the House of Commons by 1 September 2012 on how the revenue raised could be invested in a Real Jobs Guarantee to create new jobs and tackle unemployment.’

---

*REMAINING NEW CLAUSES AND AMENDMENTS TO CLAUSES*

*Pension death benefits in higher education*

Mr Frank Field

*Not called* **NC2**

To move the following Clause:—

- ‘(1) Paragraph 15 of Schedule 28 to FA 2004 (meaning of “dependant”) is amended as follows.
- (2) In sub-paragraph (2)(a) at end insert—  
“has reached that age and is studying full-time for a higher education qualification in medicine, veterinary science or architecture or such other vocational courses as the Treasury may prescribe by regulations, or”.’

---

*Bingo duty*

Philip Davies

*Not called* **NC5**

To move the following Clause:—

- ‘(1) BGDA 1981 is amended as follows.
- (2) In section 17(1)(b) of BGDA 1981 (bingo duty chargeable at 20 per cent of bingo promotion profits), for “20” substitute “15”.

**Finance Bill, *continued***

- (3) The amendment made by subsection (2) has effect in relation to accounting periods beginning on or after 30 April 2012.’.
- 

*Consultation on effect of Act and future Finance Bills on certain developing countries*

Stephen Williams  
Sheila Gilmore  
Mark Durkan

*Not called* **NC6**

To move the following Clause:—

‘With effect from the passing of this Act, HM Treasury shall consult the Department for International Development on the impact of this Act and the proposals in each succeeding Finance Bill on developing countries to which the Department provides aid, and report to Parliament annually on the results of the consultations.’.

---

*General anti-tax avoidance principle*

Mr Michael Meacher  
Mark Durkan

*Not called* **NC7**

To move the following Clause:—

‘That within two months of the granting of Royal assent to this Act, HM Revenue and Customs shall report on progress on its consultation on its proposed general anti-abuse rule.’.

---

**Finance Bill, continued**

*Impact of Budget measures on children, families and incentives to work*

Ed Balls  
 Rachel Reeves  
 Catherine McKinnell  
 Chris Leslie  
 Cathy Jamieson  
 Mark Durkan

*Not called* **NC14**

To move the following Clause:—

‘The Chancellor of the Exchequer shall review the impact of Budget measures since 2010 on children, families and incentives to work, and place a copy of the report in the Library of the House of Commons.’.

Mr Chancellor of the Exchequer

*Agreed to* **5**

Page **120**, line **19** [*Clause 208*], at end insert—

- ‘( ) in subsection (1), after paragraph (c) insert “or,
- (d) in a case where paragraphs (a), (b) and (d) of section 74A(1) are satisfied—
  - (i) it is a reversionary interest, in the relevant settled property, to which the individual is beneficially entitled, and
  - (ii) the individual has or is able to acquire (directly or indirectly) another interest in that relevant settled property.

Terms used in paragraph (d) have the same meaning as in section 74A.’.’.

Mr Chancellor of the Exchequer

*Agreed to* **6**

Page **120**, line **23** [*Clause 208*], leave out from beginning to end of line 30 on page 121 and insert—

“(3D) Where paragraphs (a) to (d) of section 74A(1) are satisfied, subsection (3)(a) above does not apply at the time they are first satisfied or any later time to make the relevant settled property (within the meaning of section 74A) excluded property.”.’.

**Finance Bill, *continued***

Mr Chancellor of the Exchequer

*Agreed to 7*

Page 121, line 32 [*Clause 208*], leave out from beginning to end of line 7 on page 122 and insert—

**“74A Arrangements involving acquisition of interest in settled property etc**

- (1) This section applies where—
  - (a) one or more persons enter into arrangements,
  - (b) in the course of the arrangements—
    - (i) an individual (“the individual”) domiciled in the United Kingdom acquires or becomes able to acquire (directly or indirectly) an interest in property comprised in a settlement (“the relevant settled property”), and
    - (ii) consideration in money or money’s worth is given by one or more of the persons mentioned in paragraph (a) (whether or not in connection with the acquisition of that interest or the individual becoming able to acquire it),
  - (c) there is a relevant reduction in the value of the individual’s estate, and
  - (d) condition A or condition B is met.
- (2) Condition A is that—
  - (a) the settlor was not domiciled in the United Kingdom at the time the settlement was made, and
  - (b) the relevant settled property is situated outside the United Kingdom at any time during the course of the arrangements.
- (3) Condition B is that—
  - (a) the settlor was not an individual or a close company at the time the settlement was made, and
  - (b) condition A is not met.’

Mr Chancellor of the Exchequer

*Agreed to 8*

Page 123 [*Clause 208*], leave out line 15 and insert—

**‘74C Interpretation of sections 74A and 74B**

- (1) Subsections (2) to (4) have effect for the purposes of sections 74A and 74B.
- (2) An individual has an interest in property comprised in a settlement if—
  - (a) the property, or any derived property, is or will or may become payable to, or applicable for the benefit of—
    - (i) the individual,
    - (ii) the individual’s spouse or civil partner, or
    - (iii) a close company in relation to which the individual or the individual’s spouse or civil partner is a participator or a company which is a 51% subsidiary of such a close company,

in any circumstances whatsoever, or

**Finance Bill, continued**

- (b) a person within sub-paragraph (i), (ii) or (iii) of paragraph (a) enjoys a benefit deriving (directly or indirectly) from the property or any derived property.
- (3) A “relevant reduction” in the value of the individual’s estate occurs—
- (a) if and when the value of the individual’s estate first becomes less than it would have been in the absence of the arrangements, and
- (b) on each subsequent occasion when the value of that estate becomes less than it would have been in the absence of the arrangements and that difference in value is greater than the sum of any previous relevant reductions.
- (4) The amount of a relevant reduction is—
- (a) in the case of a reduction within subsection (3)(a), the difference between the value of the estate and its value in the absence of the arrangements, and
- (b) in the case of a reduction within subsection (3)(b), the amount by which the difference in value mentioned in that provision exceeds the sum of any previous relevant reductions.
- (5) In sections 74A and 74B and this section—
- “arrangements” includes any scheme, transaction or series of transactions, agreement or understanding, whether or not legally enforceable, and any associated operations;
- “close company” has the meaning given in section 102;
- “derived property”, in relation to any property, means—
- (a) income from that property,
- (b) property directly or indirectly representing—
- (i) proceeds of that property, or
- (ii) proceeds of income from that property, or
- (c) income from property which is derived property by virtue of paragraph (b);
- “operation” includes an omission;
- “participator” has the meaning given in section 102;
- “the relevant time” means—
- (d) the time the relevant reduction occurs, or
- (e) if later, the time section 74A first applied;
- “51% subsidiary” has the same meaning as in the Corporation Tax Acts (see Chapter 3 of Part 24 of the Corporation Tax Act 2010).’.

Mr Chancellor of the Exchequer

*Agreed to* 9

Page 123 [*Clause 208*], leave out lines to 17 to 22 and insert—

“(4A) Where—

- (a) a charge to tax arises under or by virtue of section 74A, or
- (b) in a case where paragraphs (a) to (d) of section 74A are satisfied, a charge to tax arises under section 64 or 65 in respect of the relevant settled property (within the meaning of section 74A),

subsection (1) of this section has effect as if the persons listed in that subsection included the individual mentioned in section 74A(1)(b)(i).’.

---

**Finance Bill, *continued***

Mr Chancellor of the Exchequer

*Agreed to* 10

Page 123, line 23 [*Clause 208*], leave out subsections (5) and (6) and insert—  
 ‘(5) The amendments made by this section are treated as having come into force on 20 June 2012 and have effect in relation to arrangements entered into on or after that day.’

---

 REMAINING NEW SCHEDULES AND AMENDMENTS TO SCHEDULES

Mr Chancellor of the Exchequer

*Agreed to* 4

Page 550, line 41 [*Schedule 23*], leave out from ‘subsection’ to end of line 8 on page 551 and insert ‘(5) insert—

“(5A) In relation to the carriage of a chargeable passenger on an aircraft to which section 30(4F) applies—

(a) if the rate which (apart from this subsection) would apply is the rate set for the purposes of subsection (3)(a) or (b), the following rate is to apply instead—

(i) the rate set by an Act of the Northern Ireland Assembly for the purposes of this paragraph, or

(ii) if no rate is so set for the purposes of this paragraph, a rate equal to twice the rate set for the purposes of subsection (3)(b),

(b) if the rate which (apart from this subsection) would apply is the rate set for the purposes of subsection (4)(a) or (b), the following rate is to apply instead—

(i) the rate set by an Act of the Northern Ireland Assembly for the purposes of this paragraph, or

(ii) if no rate is so set for the purposes of this paragraph, a rate equal to twice the rate set for the purposes of subsection (4)(b), and

(c) if the rate which (apart from this subsection) would apply is the rate set for the purposes of subsection (5)(a) or (b), the following rate is to apply instead—

(i) the rate set by an Act of the Northern Ireland Assembly for the purposes of this paragraph, or

(ii) if no rate is so set for the purposes of this paragraph, a rate equal to twice the rate set for the purposes of subsection (5)(b).”’.

---

---

Finance Bill, *continued*

Grahame M. Morris  
Ian Mearns  
Ian Lavery  
Philip Davies  
Mr David Nuttall

Page 555, line 1 [*Schedule 24*], leave out '20%' and insert '18%'. *Not called* 11

---

Grahame M. Morris  
Ian Mearns  
Ian Lavery  
Philip Davies  
Mr David Nuttall

Page 574, line 8 [*Schedule 24*], leave out '2013' and insert '2014'. *Not called* 12

---

Grahame M. Morris  
Ian Mearns  
Ian Lavery  
Philip Davies  
Mr David Nuttall

Page 577, line 16 [*Schedule 24*], leave out '2013' and insert '2014'. *Not called* 13

Grahame M. Morris  
Ian Mearns  
Ian Lavery  
Philip Davies  
Mr David Nuttall

Page 577, line 20 [*Schedule 24*], leave out '2013' and insert '2014'. *Not called* 14

Grahame M. Morris  
Ian Mearns  
Ian Lavery  
Philip Davies  
Mr David Nuttall

Page 577, line 22 [*Schedule 24*], leave out '2013' and insert '2014'. *Not called* 15

**Finance Bill, *continued***

Grahame M. Morris  
Ian Mearns  
Ian Lavery  
Philip Davies  
Mr David Nuttall

*Not called* 16

Page 577, line 33 [*Schedule 24*], at end insert—

- ‘68 (1) The introduction of machine games duty is not intended to raise additional revenue, but to replace the existing taxation of gaming machines through amusement machine licence duty and value added tax.
- (2) One year after the go-live date the Chancellor of the Exchequer shall review the impact of machine games duty on the leisure industry, and will lay a report of his review in the House of Commons Library by the end of February 2014.
- (3) If the review carried out in sub-paragraph (2) above finds that the standard rate of machine games duty generated more revenue than the estimated revenue neutral figure, The Chancellor of the Exchequer shall lay a paper before Parliament setting out how he proposes to reduce the standard rate.’

*Bill read the third time on division, and passed.*

---