

NATIONAL INSURANCE CONTRIBUTIONS BILL

EXPLANATORY NOTES

What these notes do

These Explanatory Notes relate to the National Insurance Contributions Bill as introduced in the House of Commons on 12 May 2021 (Bill 10).

- These Explanatory Notes have been prepared by HM Revenue & Customs (HMRC) in order to assist the reader of the Bill and to help inform debate on it. They do not form part of the Bill and have not been endorsed by Parliament.
- These Explanatory Notes explain what each part of the Bill will mean in practice; provide background information on the development of policy; and provide additional information on how the Bill will affect existing legislation in this area.
- These Explanatory Notes might best be read alongside the Bill. They are not, and are not intended to be, a comprehensive description of the Bill.

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Overview of the Bill

- 1 The Bill deals with the following matters:
 - Introduces a new secondary Class 1 National Insurance contributions (NICs) relief for employers of Freeport employees.
 - Introduces a new secondary Class 1 NICs relief for employers of armed forces veterans.
 - Introduces an exemption for self-isolation support scheme payments from Class 2 and Class 4 NICs.
 - Widens the existing power to make regulations that impose requirements to disclose information in relation to arrangements that aim to avoid NICs.

Policy background

Freeports

- 2 This measure introduces a new secondary Class 1 NICs relief for Freeport employers. Clauses 1 to 4 deal with Freeports in Great Britain (GB) and clause 5 provides for Freeports in Northern Ireland (NI).
- 3 In GB, this relief provides for a zero-secondary Class 1 NICs rate on the earnings of Freeport employees for 36 months, starting from the first day of employment, up to an Upper Secondary Threshold (UST).
- 4 A Freeport employer is a business which is operating with a physical premises, in the Freeport Tax Site.
- 5 A Freeport employee is an employed earner of a Freeport employer who spends 60% or more of their employed time in a single Freeport Tax Site in which their employer has a business premises. GB Freeport Tax Sites are defined in Finance Bill 2021 and NI Freeport Tax Sites will be defined in a future Finance Bill.
- 6 This relief will be available to Freeport employers in respect of new employments from 6 April 2022. In order to qualify for this relief, the Freeport employment must begin on or after 6 April 2022 and should not begin later than 5 April 2026. If the government decides not to continue the relief after April 2026 (following a review of its effectiveness), new claims will not be permitted beyond this point. Employments that start before 6 April 2026 will qualify for the relief for the full 36 months, or until termination of their employment, whichever is sooner. Freeport employers will be able to claim this relief by reporting through HMRC's Real Time Information system.
- 7 Clause 5 provides a power to make secondary legislation providing for an employer NICs relief in NI Freeports.
- 8 For this reason, these Explanatory Notes are limited to describing the clauses relating to the effect of this NICs change in GB.

Veterans

- 9 This measure introduces a new secondary Class 1 NICs relief for employers of armed forces veterans on the earnings of veterans for 12 months, starting from the first day of a veteran's first civilian employment after leaving the regular armed forces. Subsequent and concurrent employers can benefit from this relief during this period.
- 10 To qualify, a veteran must have completed at least one day of basic training in the armed forces. This relief is available to employers from 6 April 2021 to 5 April 2024. The government will review this relief in 2023 and has the ability to extend this relief.
- 11 From 6 April 2022, employers will be able to claim this relief through HMRC's Real Time Information system. From 6 April 2021 to 5 April 2022, transitional arrangements will be in place so that employers can claim the relief retrospectively for that period from 6 April 2022 onwards.

Self-isolation support scheme payments

- 12 Lump sum payments of £500 are available to be claimed under separate, but similar, schemes in England, Wales and Scotland in respect of people who have been asked to self-isolate by the relevant authority (depending on where in Great Britain they are and the eligibility criteria of the relevant scheme), who cannot work from home and will suffer financial consequences as a result. Payments are intended to provide additional financial support to those on low incomes so they can self-isolate and help stop the spread of coronavirus. The English scheme was piloted on a limited basis from 1 September 2020 then rolled out nationally from 28 September 2020. The Scottish and Welsh schemes began in October 2020.
- 13 The schemes are administered by local authorities. Payments made under the schemes to employed people are earnings and liable to employee and employer Class 1 NICs. This means that local authorities would have to account for and potentially deduct the value of employee NICs from any payments made. Additionally, the employer would have to deduct Class 1 NICs on the gross value of the payment received by their employees under the schemes. This would result in administrative and cost burdens on local authorities and on employers. The Chancellor of the Exchequer decided to legislate to ensure that these payments are not subject to Class 1 (employee and employer) and Class 1A (employer) NICs to prevent these administrative burdens and costs arising. The Class 1 NICs exemption in respect of employed people was achieved in regulations (S.I. 2020/1065 and 2020/1532) under an existing regulation making power to disregard certain payments when calculating earnings liable to Class 1 NICs (for England in October 2020 and for Scotland and Wales in January 2021).
- 14 This exemption aims to ensure the equal treatment for the self-employed by exempting payments from Class 2 and Class 4 NICs. Payments made under these schemes generally fall to be taxed as trading income in respect of the self-employed and are taxed under Chapter 2, Part 2 of the Income Tax (Trading and Other Income) Act 2005 (ITTOIA 05). Class 4 NICs is payable on profits chargeable to income tax under Chapter 2, Part 2 ITTOIA 05 in the same manner as any income tax is chargeable in respect of those profits. Class 2 NICs are payable in respect of profits that are chargeable to Class 4 NICs.

Disclosure of contributions avoidance arrangements

- 15 Disclosure of tax avoidance schemes (DOTAS) was introduced in 2004 and seeks to provide HMRC with early information about new tax and NICs avoidance schemes, how they work and those who use them. It creates obligations on promoters of avoidance to disclose details of the avoidance schemes they are promoting.
- 16 The government announced at Budget 2020 a package of measures to target those who

promote and market tax avoidance schemes. The government consultation seeking views on proposals to strengthen the sanctions against those who promote or enable tax avoidance, including draft legislation, was launched on 21 July 2020 and closed on 15 September 2020. Respondents were generally supportive of the package and the government has introduced legislation in Finance Bill 2021.

- 17 These DOTAS changes would ensure that HMRC can act decisively where promoters fail to provide information on their avoidance schemes and make taxpayers aware at an earlier stage where it suspects a tax avoidance scheme is being sold.
- 18 The legal requirements to disclose schemes aiming to avoid NICs are imposed by regulations. These regulations are made under section 132A of SSAA 1992 which allows the DOTAS legislation to be replicated for NICs.

Legal background

- 19 The legislation relating to the existing system of NICs and social security benefits is set out in a combination of primary and subordinate legislation. The relevant provisions are:
 - Social Security Contributions and Benefits Act 1992 (SSCBA 1992).
 - Social Security Contributions and Benefits (Northern Ireland) Act 1992 (SSCB(NI)A 1992).
 - The Social Security Administration Act 1992 (SSAA 1992).
 - The Social Security Administration (Northern Ireland) Act 1992.
 - The Social Security (Contributions) Regulations 2001 (SI 2001/1004).
- 20 These provisions will continue to be the main legislation dealing with NICs.

Territorial extent and application

- 21 The Bill extends to England and Wales, Scotland and Northern Ireland.
- 22 There is a convention that Westminster will not normally legislate with regard to matters that are within the legislative competence of the Scottish Parliament, the National Assembly for Wales or the Northern Ireland Assembly without consent of the legislature concerned.
- 23 See the table in Annex A for a summary of the position regarding territorial extent and application in the United Kingdom. The table also summarises the position regarding legislative consent motions and matters relevant to Standing Orders Nos. 83J to 83X of the Standing Orders of the House of Commons relating to Public Business.

Scotland

- 24 The matters to which the provisions of the Bill relate are not within the legislative competence of the Scottish Parliament and no Legislative Consent Motion is being sought in relation to any provisions of the Bill. If there are amendments relating to the legislative competence of the Scottish Parliament consent will be sought for them.

Wales

- 25 The Bill does not contain any provisions relating to matters within the legislative competence of the National Assembly for Wales. If there are amendments which relate to such matters,

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consent will be sought for them.

Northern Ireland

- 26 Under the provisions of Schedule 2 to the Northern Ireland Act 1998 NICs are an excepted matter. The Bill therefore applies to the relevant Northern Ireland legislation relating to NICs, where stated. If there are amendments which relate to non-excepted matters, consent of the Northern Ireland Assembly will be sought for them.

Commentary on provisions of Bill

Part 1: Secondary Class 1 Contributions

Freeports

Clause 1: Zero-rate contributions for employees at freeport tax sites: Great Britain

- 27 Clause 1(1) states that this relief applies when secondary Class 1 NICs are due from an employer other than a public authority and the conditions set out in section 2 are met. The term “public authority” is defined in clause 13 of the Bill. This clause also specifies that an employer must elect to apply this relief in circumstances where they may also qualify for other NICs reliefs (under 21, under 25 apprentices and armed forces veterans).
- 28 Clause 1(2)(a) states that the rate for this relief is 0% and applies up to the UST.
- 29 Clause 1(2)(b) states that for earnings above the UST, the secondary percentage (currently 13.8%) applies.
- 30 Clause 1(3) states that the UST (or the prescribed equivalent) will be set by statutory instrument under a power at clause 8.
- 31 Clause 1(4) states that a person is still regarded as liable for secondary Class 1 NICs even though the amount of the contribution is nil because the secondary percentage is 0%. This provision ensures that, whilst the requirement to pay secondary Class 1 NICs in respect of relevant earnings paid to Freeport employees is removed, liability for such contributions remains. As a result, the new zero-rate does not affect other legislation which relies on the existence of a secondary contributor, including the obligation to make statutory payments to employees such as Statutory Sick Pay and Statutory Maternity Pay.
- 32 This relief will be administered through PAYE and Real Time Information (RTI) returns, thus providing a real time relief. Clause 1(5) and clause 1(6) provide the Treasury with the power to make provisions about circumstances where this relief would not apply until the tax year has ended.

Clause 2: Freeport conditions

- 33 Clause 2(1) sets out the conditions that must be met to qualify for this relief.
- 34 Clause 2(1)(a) sets out that the start date for the Freeport employment must be between 6 April 2022 and 5 April 2026.
- 35 Clause 2(1)(b) explains that the relief will apply for three years per earner starting from the first day of employment subject to subsections (6).
- 36 Clause 2(1)(c) specifies that all tax weeks in which contributions are paid must be in the qualifying period. The qualifying period is defined at subsection (3).

- 37 Clause 2(1)(d) states that, at the time the qualifying period begins, a Freeport employer must reasonably expect that the earner will spend 60% or more of their employed time (defined by subsection 4(a)) in a single Freeport Tax Site in which the Freeport employer must also have business premises.
- 38 Clause 2(2) stipulates that an earner cannot have been employed by the Freeport employer or a person connected with the employer in the 24 months prior to the employment. Connected person is defined by reference to section 993 of the Income Tax Act 2007.
- 39 Clause 2(3)(a) specifies that the qualifying period begins with the start of the employment, or a substantial change in the earner's circumstances. Subsection (3)(b) specifies that the qualifying period ends with either the end of the employment, a substantial change in the earner's working arrangements or the relevant end date of the relief. The effect of subsection (3) is that an employer is required to make an assessment at the start of the employment and maintain that assessment until there is a substantial change of circumstances in the earner's working arrangements at which point, an employer must reassess. This assessment must be made each time there is a substantial change in the earner's working arrangements.
- 40 Clause 2(4)(a) provides that 'employed time' is the time that an employee is expected to provide services to the employer, and that includes periods of leave.
- 41 Clause 2(4)(b) has the effect of disregarding periods of leave for the 60% test.
- 42 Clause 2(4)(c) clarifies that it does not matter if the earner provides services under multiple contracts provided that the employment does not cease.
- 43 Clause 2(4)(d) specifies that the employment also ceases to qualify for this relief when the employer's expectation that the earner spends 60% of their employed time in the Freeport ceases to be reasonable. Note, this does not preclude the employment from qualifying for this relief in future if there is a substantial change in the earner's working arrangements.
- 44 Clause 2(5) has the effect of ensuring that where the employer and the secondary contributor are not the same person, then the secondary contributor, instead of the employer, must meet the condition at subsection (1)(d) (the assessment of employed time in the Freeport, see paragraph 37). Both the employer and secondary contributor need to meet the condition at subsection (2) (connected person rule, see paragraph 38).
- 45 Clause 2(6) provides that the latest date that earnings may qualify for this relief is the earlier of:
- a. The last day of the three-year period beginning with the day after the date specified in subsection (1)(a)(ii); and
 - b. 5 April 2031.

This has the effect of not extending the qualifying period beyond 5 April 2031, but allows for the full qualifying period to be utilised by employers if this relief is extended beyond 5 April 2026.

Clause 3 Freeport conditions: supplementary

- 46 Clause 3(1) provides the Treasury with a regulation making power to extend the latest date (set out at clause 2(1)(a)(ii)) an earner can begin their employment and qualify for this relief. The Treasury may extend this date to no later than 5 April 2031.
- 47 Clause 3(2) provides the Treasury with a regulation making power to provide circumstances in which a Freeport conditions is to be treated as being met. This has the effect of making the relief available in circumstances that it would otherwise not be.

- 48 Clause 3(3) provides the Treasury with regulation making powers to add, remove or alter the qualifying conditions for this relief.
- 49 Clause 3(4) sets out what the power at clause 3(3) can, amongst other things, be used for:
- a. to make provisions about circumstances in which a condition is treated as not being met;
 - b. add conditions relating to accounts or other records; and
 - c. add conditions requiring a person to take steps specified in the regulations.
- 50 Clause 3(5) provides that regulations made under clauses 3(2) or 3(3) may make provision by reference to sectors of the economy or to descriptions of employer, earner or employment.
- 51 Clause 3(6) provides that regulations made under clauses 3(2) or 3(3) may amend this part of the Bill.

Clause 4: Anti-avoidance

- 52 Clause 4 states that this relief cannot be claimed if an avoidance arrangement has been used and defines what is meant by an avoidance arrangement.

Clause 5: Zero-rate contributions for employees at freeport tax sites: Northern Ireland

- 53 Clause 5 provides the Treasury with a regulation making power to provide for a Freeport secondary Class 1 NICs relief in NI.

Veterans

Clause 6: Zero-rate contributions for armed forces veterans

- 54 Clause 6(1), (2) and (4) provides for a 0% rate of secondary Class 1 contributions up to a UST for tax years 2022-23 to 2023-24 if the veteran conditions in clause 7 are met. Earnings above the UST will be liable to secondary Class 1 NICs at the secondary percentage (currently 13.8%).
- 55 Clause 6(1)(d) specifies that an employer must elect to apply this relief if the employment also qualifies for other NICs reliefs (under 21, under 25 apprentices and Freeports).
- 56 Clause 6(3) specifies that the UST for this relief is the one specified in regulations under clause 8.
- 57 Clause 6(5) specifies that this relief is available for the 2021-22 tax year retrospectively. In practice, this means that employers need to pay secondary Class 1 NICs as if this relief did not apply, then from April 2022 they can claim this relief for the earnings in the 2021-22 tax year.
- 58 Clause 6(6) provides the Treasury with regulation making powers to add tax years set out in clause 6(4). This allows the relief to be extended beyond 5 April 2024.
- 59 Clause 6(7) states that a person is still to be regarded as liable for secondary Class 1 NICs even though the amount of the contribution is nil because the secondary percentage is 0%. This provision ensures that, whilst the requirement to pay secondary Class 1 NICs in respect of earnings paid to veterans is removed, a technical liability for such contributions continues to arise. As a result, the new zero-rate does not affect other legislation which relies on the existence of a secondary contributor, including the obligation to make statutory payments to employees such as Statutory Sick Pay and Statutory Maternity Pay.
- 60 This relief will be administered through PAYE and RTI returns, thus providing a real time relief. Clause 6(8) provides the Treasury with the power to make provisions about

circumstances where this relief would not apply until the tax year has ended.

Clause 7: Veteran conditions

- 61 Clause 7(1) sets out the conditions that need to be met.
- 62 Clause 7(1)(a) confirms that, to qualify for this relief, the earner is required to have served for at least one day in the regular forces. This is defined at clause 13.
- 63 Clause 7(1)(b) states that only employment in a civilian capacity qualifies for this relief.
- 64 Clause 7(1)(c) states that this relief is available for one year beginning with the earner's first day of civilian employment after leaving the armed forces.
- 65 Clause 7(2) (in relation to clause 7(1)(c)) provides that the first civilian employment for a veteran can commence before the introduction of this relief on 6 April 2021. Where this is the case, the 12-month period will commence from the first day of the employment, but the relief will only be available from 6 April 2021 for the remainder of that 12-month period.

Upper secondary threshold

Clause 8: Upper secondary threshold for earnings

- 66 Clause 8(1) provides that a UST for secondary Class 1 NICs specifically in relation to veterans and Freeport earners will be set for every tax year. This clause allows for different upper secondary thresholds to be set for veterans and Freeport employees.
- 67 Clause 8(2) provides the Treasury with a regulation making power to specify the amounts of the veterans UST and the Freeports UST.
- 68 Clause 8(3) specifies that the veterans UST can be set for the 2021-22 tax year, and the Freeports and veterans UST can be set for the 2022-23 tax year, retrospectively.
- 69 Clause 8(4) applies the regulation-making power in section 5(4) to (6) of SSCBA 1992 for the purposes of prescribing equivalents to the UST for earners paid otherwise than weekly.

Clause 9: Consequential amendment

- 70 This clause amends section 100(6) of the Finance Act 2016 (apprenticeship levy). In order to make sure that where a secondary contributor does not make any secondary contributions in respect of an earner because of the Freeports or veterans relief, the earner's earnings are still taken into account for the purposes of the apprenticeship levy.

Part 2: Class 4 Contributions

Clause 10: Treatment of self-isolation support scheme payments

- 71 Clause 10(1) provides an exemption for payments made under a self-isolation support scheme by providing that they are not to be taken into account for the purposes of computing profits liable to Class 4 NICs for the purpose of SSCBA 1992 and SSCB(NI)A 1992. This will also ensure that such payments will not be taken into account for the purposes of Class 2 NICs.
- 72 Clause 10(2)(a) to (c) specifies the self-isolation support schemes that are exempt.
- 73 Clause 10(2)(d) provides that the Treasury may designate further scheme(s) that correspond or are similar to schemes specified in clause 10(2)(a) to (c).
- 74 Clause 10(3) provides that the exemption has retrospective effect for the tax year 2020-21 and has effect for subsequent tax years.

Part 3: Disclosure of Avoidance

Clause 11: Disclosure of contributions avoidance arrangements

- 75 This clause widens the existing regulation making power in the SSAA 1992 so that it may impose reporting requirements in relation to arrangements that aim to avoid NICs. This amendment will ensure regulations can be made mirroring the amendments to the DOTAS procedures which are included in Finance Bill 2021.

Part 4: General

Clause 12: Regulations

- 76 Clause 12(1) provides for regulations under this Act to be made by statutory instrument.
- 77 Clause 12(2) specifies that regulations made under the Act are subject to the negative procedure except for:
- a. section 3(3);
 - b. section 5; and
 - c. section 8,
- which are subject to the affirmative procedure.
- 78 Clause 12(4) provides that subsections (3) to (5) of section 175 of the 1992 Act (regulations etc) apply to regulations under this Act as they apply generally to regulations under that Act.

Clause 13: Interpretation etc

- 79 This clause defines various terms used in the Act.

Clause 14: Short title

- 80 This clause provides for the Act to be known as the National Insurance Contributions Act 2021.

Commencement

- 81 The Act will come into force upon Royal Assent.

Financial implications of the Bill

Zero-rate secondary Class 1 contributions for freeport employees

- 82 The Exchequer impact of this measure is as follows:

Exchequer impact (£m)

2020 to 2021	2021 to 2022	2022 to 2023	2023 to 2024	2024 to 2025	2025 to 2026
empty	empty	empty	empty	empty	empty

- 83 This measure is expected to decrease receipts. The final costing will be subject to scrutiny by the Office for Budget Responsibility and will be set out at a future fiscal event.
- 84 The measure is not expected to have any significant macroeconomic impacts. This measure is

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expected to have a positive impact on employees who work in or live near a Freeport Tax Site as it makes them more attractive to employers.

- 85 This measure will require changes to HMRC IT systems to allow for a new NICs Category letter. Additional resource will also be required to support safe delivery. These costs are in the region of £2 million.

Zero-rate secondary Class 1 Contributions for Armed Forces veterans

- 86 The Exchequer impact of this measure is as follows:

Exchequer impact (£m)

2020 to 2021	2021 to 2022	2022 to 2023	2023 to 2024	2024 to 2025	2025 to 2026
-	-15	-20	-20	-	-

- 87 The figures in paragraph 86 are set out in Table 2.2 of Budget 2021. More detail can be found in the policy costings document published alongside Budget 2020.

- 88 This measure is not expected to have any significant macroeconomic impacts. The measure accounts for a behavioural response including take-up and employment impacts.

- 89 Changes will be required to HMRC's Information Technology systems to support implementation of the veteran's measure. Early high-level estimates suggest costs in the region of £1.5 million and these will be refined as delivery progresses.

Exemption from Class 4 and Class 2 NICs for COVID-19 Test and Trace Support Payments

- 90 The Exchequer impact of this measure is as follows:

Exchequer impact (£m)

2020 to 2021	2021 to 2022	2022 to 2023	2023 to 2024	2024 to 2025	2025 to 2026
nil	nil	-	-	-	-

- 91 This measure is not expected to have an Exchequer impact.

- 92 This measure is not expected to have any significant economic impacts.

- 93 This measure is expected to have a negligible impact on HMRC operations.

Proposals for tackling promoters and enablers of NICs avoidance schemes

- 94 The Exchequer impact of this measure is as follows:

Exchequer impact (£m)

2020 to 2021	2021 to 2022	2022 to 2023	2030 to 2024	2024 to 2025	2025 to 2026
nil	nil	nil	nil	nil	nil

- 95 This measure is not expected to have an Exchequer Impact. It supports the Exchequer in its commitment to protect revenue.

- 96 These changes are not expected to have an operational impact on HMRC. The potential impact on HM Courts and Tribunal Service is being assessed by HMRC.

Parliamentary approval for financial costs or for charges imposed

- 97 This Bill does not require a money resolution or a ways and means resolution. A money resolution is required where a Bill authorises new charges on the public revenue - broadly speaking, new public expenditure - and a ways and means resolution is required where a bill authorises new charges on the people - broadly speaking, new taxation or similar charges.

Compatibility with the European Convention on Human Rights

- 98 The Chancellor of the Exchequer has made the following statement under section 19(1)(a) of the Human Rights Act 1998:

“In my view the provisions of the National Insurance Bill are compatible with the Convention rights.”

- 99 The government considers the provisions of the Bill are compatible because there is no interference with Convention rights.

Related documents

- 100 The following documents are relevant to the Bill and can be read at the stated locations:

- Bidding prospectus for freeports.
<https://www.gov.uk/government/publications/freeports-bidding-prospectus>
- Draft legislation and technical notes for veterans, January 2021.
<https://www.gov.uk/government/consultations/draft-legislation-zero-rate-secondary-class-1-contributions-for-veterans>
- Policy consultation and government response for veterans, January 2021 and July 2021.
<https://www.gov.uk/government/consultations/supporting-veterans-transition-to-civilian-life-through-employment>
- Table 2.1 Budget 2020, March 2020.
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/872265/Table_2.1_Budget_2020.xlsx
- Table 2.2 Budget 2021, March 2021.
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/966088/Table_2.2_2021.xlsx

- Exemption from NICs for COVID-19 Test and Trace Support Payments TIIN, October 2020.

<https://www.gov.uk/government/publications/exemption-from-national-insurance-contributions-for-covid-19-test-and-trace-support-payments/exemption-from-national-insurance-contributions-for-covid-19-test-and-trace-support-payments>

- Exemption from NICs for COVID-19 Test and Trace Support Payments for Scotland and Wales TIIN, December 2020.

<https://www.gov.uk/government/publications/exemption-from-national-insurance-contributions-for-covid-19-test-and-trace-support-payments-for-scotland-and-wales/exemption-from-national-insurance-contributions-for-covid-19-test-and-trace-support-payments-for-scotland-and-wales>

- Legislation introducing a Class 1 and Class 1A NICs exemption for COVID-19 Test and Trace Support Payments, September 2020.

<https://www.legislation.gov.uk/ukxi/2020/1065/contents/made>

- Legislation introducing a Class 1 and Class 1A NICs exemption for COVID-19 Test and Trace Support Payments for Scotland and Wales, December 2020.

<https://www.legislation.gov.uk/ukxi/2020/1532/contents/made>

- Anti-avoidance draft legislation, July 2020.

<https://www.gov.uk/government/publications/new-proposals-for-tackling-promoters-and-enablers-of-tax-avoidance-schemes>

Annex A - Territorial extent and application in the United Kingdom

The Bill extends to the whole of the United Kingdom. This is subject to the exception that amendments, repeals and revocations have the same extent as the enactment to which they relate. There are no clauses or schedules in the Bill that apply only to England or only to England and Wales as set out in the table below.¹

Provision	Extends to E & W and applies to England?	Extends to E & W and applies to Wales?	Extends and applies to Scotland?	Extends and applies to Northern Ireland?	Would corresponding provision be within the competence of the National Assembly for Wales?	Would corresponding provision be within the competence of the Scottish Parliament?	Would corresponding provision be within the competence of the Northern Ireland Assembly?	Legislative Consent Motion sought?
PART 1								
Clause 1	Yes	Yes	Yes	No	N/A	N/A	N/A	No
Clause 2	Yes	Yes	Yes	No	N/A	N/A	N/A	No
Clause 3	Yes	Yes	Yes	No	N/A	N/A	N/A	No
Clause 4	No	No	No	Yes	N/A	N/A	N/A	No
Clause 5	Yes	Yes	Yes	Yes	N/A	N/A	N/A	No
Clause 6	Yes	Yes	Yes	Yes	N/A	N/A	N/A	No
Clause 7	Yes	Yes	Yes	Yes	N/A	N/A	N/A	No
Clause 8	Yes	Yes	Yes	Yes	N/A	N/A	N/A	No
Clause 9	Yes	Yes	Yes	Yes	N/A	N/A	N/A	No
PART 2								
Clause 10	Yes	Yes	Yes	Yes	N/A	N/A	N/A	No
PART 3								
Clause 11	Yes	Yes	Yes	Yes	N/A	N/A	N/A	No
PART 4								
Clause 12	Yes	Yes	Yes	Yes	N/A	N/A	N/A	No
Clause 13	Yes	Yes	Yes	Yes	N/A	N/A	N/A	No
Clause 14	Yes	Yes	Yes	Yes	N/A	N/A	N/A	No

¹ References in this Annex to a provision being within the legislative competence of the Scottish Parliament, the Senedd Cymru or the Northern Ireland Assembly are to the provision being within the legislative competence of the relevant devolved legislature for the purposes of Standing Order No. 83J of the Standing Orders of the House of Commons relating to Public Business.

Subject matter and legislative competence of devolved legislatures

There is no matter in the Bill that is within the legislative competence of the devolved legislatures.

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