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Peter Dowd MP
House of Commons
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House of Commons
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13 February 2018

Dear Peter and Anneliese,

FINANCE BILL: GOVERNMENT AMENDMENTS

I am writing to inform you of proposed government amendments to the current Finance Bill, to be debated at Report stage. These amendments will affect the following parts of the Bill:

- **Clause 9: Benefits in kind: diesel cars**
- **Clause 44: VED: rates for light passenger vehicles, light goods vehicles, motorcycles etc**
- **Schedule 3: Pension schemes**

Clause 9 increases the diesel supplement from 3 per cent to 4 per cent. This will apply, as now, to those cars propelled solely by diesel and registered from 1 January 1998 to 1 September 2017. It will also apply to diesel cars registered from 1 September 2017 that either do not meet or are not certified against the second stage of standards for nitrogen oxide emissions.

Amendments 6 and 7 make small technical changes to ensure clause 9 works as intended. Specifically, it ensures that the definition of a car that meets the Euro 6d emissions standard is clear.

Clause 44 provides a supplement in the VED system for cars registered after 1 April 2018, to the effect that these cars go up by one VED band in their First-Year Rate. This will apply to all diesel cars first registered from 1 April 2018 that either do not meet or are not certified against the second stage of standards for nitrogen oxide emissions.

Amendment 8 makes a technical change to ensure clause 44 works as intended. Specifically, it ensures that the definition of a higher rate diesel vehicle includes those that do not meet the Euro 6d emissions standard.

Clause 13 introduces *Schedule 3* which makes changes to the tax registration for pension schemes to make it more effective at preventing fraud.

Amendment 9 is a technical changes that provides for clause 13 and schedule 3 to work as intended. Specifically, it ensures that only certain pension schemes are treated as occupational pension schemes for the purposes of Part 4 of the Finance Act 2004.

The Explanatory Notes for all the amendments are available on the Finance Bill 2017-18 gov.uk webpage.

I am copying this letter to other members of the Public Bill Committee, and depositing a copy in the Library of the House.

A handwritten signature in black ink, appearing to read 'Mel Stride', written in a cursive style.

RT HON MEL STRIDE MP