



House of Commons
Select Committee on Statutory
Instruments

**Fortieth Report of
Session 2019–21**

Drawing special attention to:

*UK Property Rich Collective
Investment Scheme Vehicles
(Amendment of the Chargeable
Gains Act 1992) Regulations 2021 (S.I.
2021/213)*

*Ordered by the House of Commons
to be printed 28 April 2021*

Select Committee on Statutory Instruments

Current membership

[Jessica Morden MP](#) (*Labour, Newport East*) (*Chair*)

[Dr James Davies MP](#) (*Conservative, Vale of Clwyd*)

[Paul Holmes MP](#) (*Conservative, Eastleigh*)

[John Lamont MP](#) (*Conservative, Berwickshire, Roxburgh and Selkirk*)

[Sir Robert Syms MP](#) (*Conservative, Poole*)

[Owen Thompson MP](#) (*Scottish National Party, Midlothian*)

[Liz Twist MP](#) (*Labour, Blaydon*)

Powers

The full constitution and powers of the Committee are set out in House of Commons Standing Order No. 151, available on the Internet via <https://www.parliament.uk/business/publications/commons/standing-orders-public11/>.

The Select Committee on Statutory Instruments (SCSI) is appointed to consider statutory instruments made in exercise of powers granted by Act of Parliament. It carries out the same duties as the Joint Committee on Statutory Instruments in respect of those instruments laid before and subject to proceedings in the House of Commons only.

The role of the SCSI, whose membership is drawn from the House of Commons, is to assess the technical qualities of each instrument that falls within its remit and to decide whether to draw the special attention of the House to any instrument on one or more of the following grounds:

- i that it imposes, or sets the amount of, a charge on public revenue or that it requires payment for a licence, consent or service to be made to the Exchequer, a government department or a public or local authority, or sets the amount of the payment;
- ii that its parent legislation says that it cannot be challenged in the courts;
- iii that it appears to have retrospective effect without the express authority of the parent legislation;
- iv that there appears to have been unjustifiable delay in publishing it or laying it before Parliament;
- v that there appears to have been unjustifiable delay in sending a notification under the proviso to section 4(1) of the Statutory Instruments Act 1946, where the instrument has come into force before it has been laid;
- vi that there appears to be doubt about whether there is power to make it or that it appears to make an unusual or unexpected use of the power to make;
- vii that its form or meaning needs to be explained;
- viii that its drafting appears to be defective;
- ix or on any other ground which does not go to its merits or the policy behind it.

The Committee usually meets weekly when Parliament is sitting.

Publications

© Parliamentary Copyright House of Commons 2021. This publication may be reproduced under the terms of the Open Parliament Licence, which is published at www.parliament.uk/site-information/copyright-parliament/.

The reports of the Committee are published in print by Order of the House. All publications of the Committee are available on the Internet from www.parliament.uk/scsi.

Committee staff

The current staff of the Committee are Sue Beeby (Committee Operations Officer), Apostolos Kostoulas (Committee Operations Officer) and Luanne Middleton (Clerk). Advisory Counsel: Sarita Arthur-Crow, Klara Banaszak, Daniel Greenberg, and Vanessa MacNair.

Contacts

All correspondence should be addressed to the Clerk of the Joint Committee on Statutory Instruments, House of Commons, London SW1A 0AA. The telephone number for general inquiries is: 020 7219 7599; the Committee's email address is: jcsi@parliament.uk.

Contents

Instruments reported	2
1 S.I. 2021/213: Reported for failure to comply with proper legislative practice	2
UK Property Rich Collective Investment Scheme Vehicles (Amendment of the Chargeable Gains Act 1992) Regulations 2021	2
Instruments not reported	3
Annex	3
Appendix 1	4
Formal Minutes	5

Instruments reported

At the Committee's meeting on 28 April 2021 it scrutinised a number of instruments. It was agreed that the special attention of the House of Commons should be drawn to one of those considered in accordance with Standing Orders. The instrument and the grounds for reporting it are given below. The relevant departmental memorandum is published as an appendix to this report.

1 S.I. 2021/213: Reported for failure to comply with proper legislative practice

UK Property Rich Collective Investment Scheme Vehicles (Amendment of the Chargeable Gains Act 1992) Regulations 2021

1.1 The Committee draws the special attention of this House to these Regulations on the ground that they fail to comply with proper legislative practice in one respect.

1.2 These Regulations, which are subject to the negative resolution procedure, amend legislation relating to the capital gains tax treatment of disposals of interests in UK land by non-UK residents. Paragraph 7 of the Explanatory Memorandum states that the instrument also corrects minor errors and the Committee asked HMRC to explain whether it has complied with paragraph 4.7.6 of Statutory Instrument Practice and consulted the S.I. Registrar whether to provide free replacement copies. In a memorandum printed as an Appendix, the Department acknowledges that it should have agreed with the S.I. Registrar whether to provide free replacement copies and undertakes to now consult the Registrar to take forward appropriately. **The Committee accordingly reports these regulations for failure to comply with proper legislative practice, acknowledged by the Department.**

Instruments not reported

The Committee has considered the instruments set out in the Annex to this Report, none of which was required to be reported.

Annex

Instruments subject to annulment

- | | |
|----------------------|---|
| S.I. 2021/321 | Income Tax (Construction Industry Scheme) (Amendment) Regulations 2021 |
| S.I. 2021/369 | Value Added Tax (Section 55A) (Specified Goods and Services and Excepted Supplies) (Amendment) Order 2021 |
| S.I. 2021/380 | Customs (Tariff etc.) (Amendment) Regulations 2021 |

Appendix 1

S.I. 2021/213

UK Property Rich Collective Investment Scheme Vehicles (Amendment of the Chargeable Gains Act 1992) Regulations 2021

1. In its letter to HM Treasury of 14th April 2021, the Select Committee requested a memorandum on the following points:

Given, as stated in paragraph 7 of the Explanatory Memorandum, this instrument corrects minor errors, explain whether the Department has complied with paragraph 4.7.6 of Statutory Instrument Practice and consulted the S.I. Registrar whether or not to provide free replacement copies.

This memorandum has been prepared by Her Majesty's Revenue and Customs on behalf of HM Treasury.

2. These Regulations contain a number of substantial amendments to Schedule 5AAA to the Taxation of Chargeable Gains Act 1992 (c. 12). Amongst other things, the Regulations also correct a minor error that was introduced into that Schedule by the UK Property Rich Collective Investment Vehicles (Amendment of the Taxation of Chargeable Gains Act 1992) Regulations 2020 (S.I. 2020/315).

3. Her Majesty's Revenue and Customs acknowledges that it should have agreed with the S.I. Registrar whether or not to provide free replacement copies, in accordance with paragraph 4.7.6 of Statutory Instrument Practice. We also acknowledge that the Explanatory Memorandum should have stated whether the free issue procedure had been applied.

4. We apologise for both these oversights. We will contact the SI Registrar to discuss the matter and take forward appropriately.

Her Majesty's Revenue and Customs

20 April 2021

Formal Minutes

Wednesday 28 April 2021

Virtual Meeting

Members present:

Jessica Morden (in the Chair)

Dr James Davies Owen Thompson

John Lamont

Draft Report, proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Annex agreed to.

Resolved, That the Report be the Fortieth Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

[Adjourned till Wednesday 12 May at 3.40pm]