



Finance Act 1975

1975 CHAPTER 7

PART III

CAPITAL TRANSFER TAX

Estate duty and obsolete death duties

48 Interest on repayment of estate duty and on instalments of duty

- (1) In relation to any period falling after 12th November 1974 any sums repayable as sums paid in excess of estate duty or interest on estate duty shall carry interest at the same rate as that at which the duty, if outstanding, would have carried interest.
- (2) Interest paid to any person under this section shall not be income of that person for any tax purposes.
- (3) Subject to the following provisions of this section, where estate duty charged on a death occurring after 12th November 1974 is payable by instalments under section 62 of the Finance Act 1971 or section 3 of the Finance Act (Northern Ireland) 1971—
 - (a) as being charged in respect of property falling within paragraph (a) or (b) of subsection (2) of that section; or
 - (b) as being attributable to the net value of a business or an interest in a business ; it shall, for the purpose of any interest to be added to each instalment, be treated as carrying interest from the date at which the instalment is payable.
- (4) Subsection (3) above does not apply to estate duty payable in respect of shares or securities of a company falling within paragraph (a) of subsection (5) below unless it also falls within paragraph (b) or (c) of that subsection.
- (5) The companies referred to in subsection (4) above are—
 - (a) any company whose business consists wholly or mainly of one or more of the following, that is to say, dealing in securities, stocks or shares, land or buildings, or making or holding investments;

Status: This is the original version (as it was originally enacted).

- (b) any company whose business consists wholly or mainly in being a holding company (within the meaning of section 154 of the Companies Act 1948) of one or more companies not falling within paragraph (a) above; and
 - (c) any company whose business is that of a jobber (as defined in section 477 of the Taxes Act) or discount house, and is carried on in the United Kingdom.
- (6) Subsection (3) above does not apply to estate duty charged in respect of property which, by reason of an interest which came to an end, or a gift which was made, before 13th November 1974, passes on death by virtue of section 2(1)(b)(i) or section 2(1)(c) of the Finance Act 1894.
- (7) Subsection (3) above applies only to the extent that the principal value in respect of which the duty is payable as mentioned therein does not exceed £250,000; and any excess shall be attributed to duty in respect of the shares, securities, business or interest concerned in proportion to their respective values.