

## SCHEDULES

### SCHEDULE 15

Section 99.

#### CAPITAL TRANSFER TAX SCOTTISH AGRICULTURAL LEASES

- 1 Subject to the following provisions of this Schedule, where any part of the value of a person's estate immediately before his death is attributable to the value of the interest of a tenant in agricultural property in Scotland, being an interest held by virtue of tacit relocation, and either he had been tenant of the said property continuously for a period of at least two years immediately preceding his death or he had become tenant of the said property by succession, and the said interest is acquired on his death by a new tenant, the value of the said interest shall be left out of account in determining the value transferred on the death.
- 2 The value to be left out of account under paragraph 1 above shall not include the value of any rights to compensation in respect of tenant's improvements.
- 3
  - (1) Subject to the following provisions of this paragraph, where, under paragraph 1 above, the value of an interest has been left out of account in determining the value transferred on the death of a person, and the whole or any part of that interest is disposed of before being transferred on the death of any other person, tax shall be charged in accordance with paragraph 4 below.
  - (2) The person liable for the tax chargeable under this paragraph shall be the person who is entitled to the consideration for the disposal or who would be so entitled if any consideration passed on the disposal.
  - (3) Sub-paragraph (1) above does not apply to a disposal made by any person to his spouse.
  - (4) Where tax has been charged under this paragraph on the disposal of the whole of an interest or of any part thereof, tax shall not again be charged in relation to the same death on a further disposal of the whole or, as the case may be, of the same part, of the said interest.
- 4
  - (1) Where tax is chargeable under paragraph 3 above it shall be charged on the following amount, namely—
    - (a) if the disposal is a sale for full consideration in money or money's worth, on the net proceeds of the sale ;
    - (b) in any other case on the value of the interest or of the part disposed of, as the case may be, immediately before the time of the disposal,and at the rate or rates at which it would have been chargeable on that death if that amount, and any amount on which tax was previously chargeable under that paragraph in relation to the death, had been included in the value transferred on death and the amount on which the tax is chargeable had formed the highest part of that value.
  - (2) The tax chargeable under paragraph 3 above shall not exceed the difference between the tax chargeable on the death and the tax which would have been chargeable on

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

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the death had paragraph 1 above not applied and had the value of the interest formed the highest part of the value of the estate.

5       Where a disposal on which tax is chargeable under paragraph 3 above is a chargeable transfer, the value transferred by it shall be calculated as if the value of the interest in the tenancy had been reduced by the tax chargeable under that paragraph.

6       In this Schedule—

- (a) references to the value transferred on a death are references to the value transferred by the chargeable transfer made on that death; and
- (b) references to the net proceeds of sale are references to the proceeds of sale after deduction of any expenses of sale.

7       (1) This Schedule applies to deaths on or after 15th November 1976.

(2) Where a person died on or after 15th November 1976 and before the passing of this Act, this Schedule shall apply only if a claim for relief under paragraph 1 above is made within the period of twelve months immediately following the passing of this Act by a person who (apart from the operation of this Schedule) would be liable to pay the whole or part of the tax chargeable on the value transferred on the death and attributable to the said interest.

(3) Where a person died on or after 15th November 1976, paragraph 3 above shall not apply to any disposal before the passing of this Act.