



# Inheritance Tax Act 1984

## 1984 CHAPTER 51

### PART III

#### SETTLED PROPERTY

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#### SETTLEMENTS WITHOUT INTERESTS IN POSSESSION [F<sup>1</sup>], AND CERTAIN SETTLEMENTS IN WHICH INTERESTS IN POSSESSION SUBSIST]

##### *Special cases—reliefs*

#### **75 Property becoming subject to employee trusts.**

- (1) Tax shall not be charged under section 65 above in respect of shares in or securities of a company which cease to be relevant property on becoming held on trusts of the description specified in section 86(1) below if the conditions in subsection (2) below are satisfied.
- (2) The conditions referred to in subsection (1) above are—
  - (a) that the persons for whose benefit the trusts permit the settled property to be applied include all or most of the persons employed by or holding office with the company;
  - (b) that, at the date when the shares or securities cease to be relevant property or at a subsequent date not more than one year thereafter, both the conditions mentioned in subsection (2) of section 28 above (read with subsections (3) and (7)) are satisfied, without taking account of shares or securities held on other trusts; and
  - (c) that the trusts do not permit any of the property to be applied at any time (whether during any such period as is referred to in section 86(1) below or later) for the benefit of any of the persons mentioned in subsection (4) of

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***Changes to legislation:*** *There are currently no known outstanding effects for the Inheritance Tax Act 1984, Section 75. (See end of Document for details)*

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section 28 above (read with subsections (5) to (7)) or for the benefit of the settlor or of any person connected with him.

- (3) In its application for the purposes of subsection (2)(c) above, section 28(4) shall be construed as if—
- (a) references to section 28(1) were references to subsection (2) above, and
  - (b) references to the time of the transfer of value were references to the time when the property ceases to be relevant property.

**Changes to legislation:**

There are currently no known outstanding effects for the Inheritance Tax Act 1984, Section 75.