



Finance Act 1986

1986 CHAPTER 41

PART V

INHERITANCE TAX

[^{F1}102ZA] Gifts with reservation: termination of interests in possession

- (1) Subsection (2) below applies where—
 - (a) an individual is beneficially entitled to an interest in possession in settled property,
 - (b) either—
 - (i) the individual became beneficially entitled to the interest in possession before 22nd March 2006, or
 - (ii) the individual became beneficially entitled to the interest in possession on or after 22nd March 2006 and the interest is an immediate post-death interest, a disabled person's interest or a transitional serial interest [^{F2}or falls within section 5(1B) of the 1984 Act], and
 - (c) the interest in possession comes to an end during the individual's life.
- (2) For the purposes of—
 - (a) section 102 above, and
 - (b) Schedule 20 to this Act,the individual shall be taken (if, or so far as, he would not otherwise be) to dispose, on the coming to an end of the interest in possession, of the no-longer-possessed property by way of gift.
- (3) In subsection (2) above “the no-longer-possessed property” means the property in which the interest in possession subsisted immediately before it came to an end, other than any of it to which the individual becomes absolutely and beneficially entitled in possession on the coming to an end of the interest in possession.]

*Changes to legislation: There are currently no known outstanding effects
for the Finance Act 1986, Section 102ZA. (See end of Document for details)*

Textual Amendments

- F1** S. 102ZA inserted (retrospective to 22.3.2006) by [Finance Act 2006 \(c. 25\)](#), **Sch. 20 para. 33(2)(4)** (with [Sch. 20 para. 33\(4\)](#))
- F2** Words in s. 102ZA(1)(b)(ii) inserted (with effect in accordance with s. 53(10) of the amending Act) by [Finance Act 2010 \(c. 13\)](#), **s. 53(8)**

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 1986, Section 102ZA.