



Finance (No. 2) Act 2015

2015 CHAPTER 33

PART 2

INHERITANCE TAX

Settlements

12 Exemption from ten-yearly charge for heritage property

(1) Section 79 of IHTA 1984 (exemption from ten-yearly charge) is amended as follows.

(2) In subsection (3)—

- (a) for “then, if” substitute “ subsection (3A) below applies if ”,
- (b) in paragraph (a), for “has, on a claim made for the purpose, been” substitute “ is, on a claim made for the purpose, ”,
- (c) after that paragraph insert—
 - “(aa) that claim is made during the period beginning with the date of a ten-year anniversary of the settlement (“the relevant ten-year anniversary”) and ending—
 - (i) two years after that date, or
 - (ii) on such later date as the Board may allow,”,
- (d) in paragraph (b)—
 - (i) for “that section has been given” substitute “ section 31 is given ”, and
 - (ii) for “have been given” substitute “ are given ”, and
- (e) omit the words from “section 64” to the end.

(3) After that subsection insert—

“(3A) Tax is not chargeable under section 64 above in relation to the property by reference to the relevant ten-year anniversary concerned or any subsequent ten-year anniversaries; but on the first occurrence of an event which, if there had been a conditionally exempt transfer of the property immediately before

Changes to legislation: There are currently no known outstanding effects for the Finance (No. 2) Act 2015, Section 12. (See end of Document for details)

that relevant ten-year anniversary, would be a chargeable event with respect to the property—

- (a) there is a charge to tax under this subsection, and
- (b) on any ten-year anniversary falling after that event, tax is chargeable under section 64 above in relation to the property.”

- (4) In subsection (4), for the words from “subsection (3)” to “mentioned” substitute “ subsection (3A) above in respect of property if, after the occasion mentioned in subsection (3) above and before the occurrence mentioned in subsection (3A) ”.
- (5) In subsections (5), (5A), (6), (8)(a) and (9A)(a) for “subsection (3)” substitute “ subsection (3A) ”.
- (6) In subsection (7A), in paragraph (c), for the words from “day” to “section” substitute “ relevant ten-year anniversary ”.
- (7) In subsection (8)—
 - (a) in paragraph (a), for the words from “on the first” to the end substitute “ by reference to the relevant ten-year anniversary of the settlement ”, and
 - (b) in paragraph (c), omit “, and the claim was made and the undertaking was given,”.
- (8) Accordingly, in that Act—
 - (a) in section 207 (liability: conditional exemption), in subsection (3), for “section 79(3)” substitute “ section 79(3A) ”,
 - (b) in section 233 (interest on unpaid tax), in subsection (1)(c), for “79(3)” substitute “ 79(3A) ”,
 - (c) in section 237 (imposition of charge), in subsection (3B)(a), for “or 79(3)” substitute “ or 79(3A) ”, and
 - (d) in Schedule 4 (maintenance funds for historic buildings), in paragraph 3(2)(c), for “or 79(3)” substitute “ or 79(3A) ”.
- (9) The amendments made by this section have effect in relation to occasions on which tax would (ignoring the effect of the amendments) fall to be charged under section 64 of IHTA 1984 on or after the day on which this Act is passed.

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