



Finance Act 1948

1948 CHAPTER 49

PART VIII

MISCELLANEOUS.

76 Estate duty where policies kept up or effected under settlements.

- (1) For the purposes of the last paragraph of subsection (1) of section eleven of the Customs and Inland Revenue Act, 1889 (which, as applied for the purposes of estate duty, provides that money received under a policy of assurance effected by the deceased person on his life and kept up by him shall be treated as passing on his death) so much of the premiums paid on any policy of assurance as was, by virtue or in consequence of a settlement made by the deceased, paid out of property, whether or not provided by the deceased, comprised in the settlement or out of income, whether or not provided by the deceased, arising under the settlement, shall be treated as having been paid by the deceased :

Provided that any payments which were not made either out of property provided directly or indirectly by the deceased for the purposes of the settlement, or out of property representing that property, or out of income provided directly or indirectly by the deceased whether arising from such property or otherwise, shall not be treated as having been made by the deceased if the Commissioners of Inland Revenue are satisfied that those, payments were not made as part of any reciprocal arrangements between the deceased and any other person.

- (2) For the purposes of the said enactment in the Customs and Inland Revenue Act, 1889, a policy of assurance on the life of a deceased person effected by virtue or in consequence of a settlement made by the deceased shall be treated as having been effected by the deceased.
- (3) This section shall be deemed to have had effect as respects persons dying on or after the seventh day of April, nineteen hundred and forty-eight.
- (4) For the purposes of this section—

Status: This is the original version (as it was originally enacted).

- (a) the expression " settlement " includes any disposition, trust, covenant, agreement or arrangement ; and
- (b) a person shall be deemed to have made a settlement if he has made or entered into the settlement directly or indirectly, and in particular (but without prejudice to the generality of the foregoing words of this paragraph) if he has provided or undertaken to provide funds directly or indirectly for the purposes of the settlement, or has made with any other person a reciprocal arrangement for that other person to make or enter into the settlement.

77 Further provision for relief from double death duty.

- (1) If His Majesty by Order in Council declares that arrangements specified in the Order have been made with the Government of any territory outside the United Kingdom, the laws of which do not provide for a duty similar to estate duty, with a view to affording relief from double taxation in relation to estate duty payable under the laws of the United Kingdom and any duty leviable on, or by reference to, death imposed under the laws of that territory, and that it is expedient that those arrangements should have effect, the arrangements shall, notwithstanding anything in any enactment, have effect so far as they provide for determining the place where any property is to be treated as being situated for the purposes of estate duty.
- (2) Any arrangements to which effect is given under this section may include provisions as respects deaths occurring on or after the seventh day of April, nineteen hundred and forty-eight, and provisions as to property which is not itself subject to double duty, and the provisions of this section shall have effect accordingly.
- (3) Any Order in Council made under this section may be revoked by a subsequent Order in Council, and any such revoking Order may contain such transitional provisions as appear to His Majesty to be necessary or expedient.
- (4) Before any Order proposed to be made under this section is submitted to His Majesty in Council, a draft thereof shall be laid before the Commons House of Parliament, and the Order shall not be so submitted unless an address is presented to His Majesty by that House praying that the Order be made.
- (5) Notwithstanding anything in the Government of Ireland Act, 1920, the Parliament of Northern Ireland shall, as respects estate duty payable under the laws of Northern Ireland, have power to make laws for purposes similar to the purposes of this section.

78 Extension of time in relation to relief from excess profits tax for terminal expenses.

Section thirty-seven of the Finance Act, 1946 (which allows relief from excess profits tax for certain terminal expenses, as therein defined) shall have effect, and be deemed always to have had effect, as if for subsection (2) thereof (which relates to the period within which such expenses must have been incurred if the relief is to be given) there were substituted the following subsection—

- “(2) The period referred to in subsection (1) of this section is the year nineteen hundred and forty-seven :

Provided that if the person making the claim complies with either of the following conditions, that is to say, either—

- (a) that he produces to the Commissioners before the end of March, nineteen hundred and forty-eight, or such later date as they may allow, particulars of work required to be done, as at the said thirty-first day of December, and satisfies them that that work was not completed before the, end of the year nineteen hundred and forty-seven ; or
- (b) that he furnishes to the Commissioners before the said end of March, or such later date as they may allow, a preliminary statement in respect of any such work, setting out such information as is available to him as to the position in respect thereof, and, before the end of March, nineteen hundred and forty-nine, or such later date as the Commissioners may allow, produces to them the particulars, and satisfies them as to the matters, specified in paragraph (a) of this proviso,

the said period shall be treated as extended, in relation to any terminal expenses incurred on doing that work, until the end of March, nineteen hundred and fifty-two.”

79 Income tax and profits tax in connection with electricity boards.

(1) For all the purposes of the Income Tax Acts and the enactments relating to the profits tax—

- (a) any trade or business carried on-by any Area Board established by or under the provisions of the Electricity Act, 1947, shall be treated as if it were part of the trade or business carried on by the British Electricity Authority ;
- (b) subject to the provisions of paragraph (c) of this subsection, any property, rights or liabilities of any such Board shall be treated as property, rights or liabilities of the said Authority, and anything done by or to any such Board shall be deemed to have been done by or to the said Authority ;
- (c) any rights, liabilities or things done—
 - (i) of, by or to the said Authority against, to or by any such Board ; or
 - (ii) of, by or to any such Board against, to or by the said Authority or any other such Board,

shall be left out of account,

and income tax and the profits tax shall be charged accordingly.

(2) Section forty-one of the Electricity Act, 1947 (which enables the British Electricity Authority to require an Area Electricity Board to contribute towards the satisfaction of certain obligations of the Authority) shall have effect in relation to obligations of the said Authority as respects income tax and the profits tax, and, accordingly, in subsection (1) of that section (as amended by section one hundred and three of the Local Government Act, 1948) the word " or " where it occurs at the end of paragraph (d) shall be omitted and after paragraph (e) there shall be inserted the words—

“or

- (f) income tax or the profits tax”.

(3) This section shall be deemed always to have had effect.

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

80 Provisions as to permanent annual charge for the National Debt and as to the Old Sinking Fund.

- (1) The permanent annual charge for the National Debt for the financial year ending with the thirty-first day of March, nineteen hundred and forty-nine, shall be the sum of five hundred million pounds instead of the sum of three hundred and fifty-five million pounds.
- (2) Any amount applied out of revenue during the said year in redeeming or paying off any description of debt shall be deemed to be expenditure within the meaning of sections four and five of the Sinking Fund Act, 1875.

81 Certain Defence Bonds and Savings Certificates issued by the Government of Palestine to form part of the National Debt.

Any Defence Bonds or Palestine Savings Certificates issued by the Government of Palestine under the War Loan Ordinance, 1941, outstanding immediately before the fifteenth day of May, nineteen hundred and forty-eight, shall, as from the said fifteenth day of May, be treated for the purposes of the National Loans Act, 1939, as if the money raised thereby had been raised under that Act through the Post Office in, and in the currency of, the United Kingdom, as if the Bonds and Certificates had been securities issued under that Act accordingly, and as if the liabilities under the Bonds and Certificates expressed in terms of the currency of Palestine had been liabilities in the currency of the United Kingdom, any necessary conversion being effected at par.

82 Short title, construction, extent and repeals.

- (1) This Act may be cited as the Finance Act, 1948.
- (2) Part I of this Act—
 - (a) so far as it relates to duties of customs, shall be construed as one with the Customs Consolidation Act, 1876, except that the expression " the United Kingdom " does not include the Isle of Man ; and
 - (b) so far as it relates to duties of excise, shall be construed as one with the Acts which relate to the duties of excise .and to the management of those duties, and in the said Part I the expression " the Commissioners " means the Commissioners of Customs and Excise.
- (3) Part II of this Act shall be construed as one with Part V of the Finance (No. 2) Act, 1940.
- (4) Parts III and IV of this Act, and so much of Part VIII thereof as relates to income tax, shall be construed as one with the Income Tax Acts.
- (5) Part VI of this Act, and so much of Part VIII thereof as relates to the profits tax, shall be construed as one with Part III of the Finance Act, 1937, and the other enactments relating to the profits tax.
- (6) Part VII of this Act shall be construed as one with the Stamp Act, 1891.
- (7) So much of Part VIII of this Act as relates to estate duty shall be construed as one with Part I of the Finance Act, 1894.

- (8) Any reference in this Act to any other enactment shall, except so far as the context otherwise requires, be construed as a reference to that enactment as amended by or under any other enactment, including this Act.
- (9) Save as otherwise expressly provided, such of the provisions of this Act as relate to matters with respect to which the Parliament of Northern Ireland has power to make laws shall not extend to Northern Ireland.
- (10) The enactments specified in the Eleventh Schedule to this Act are hereby repealed to the extent mentioned in the third column of that Schedule:

Provided that the repeal of the enactments specified in Part II of that Schedule shall have effect only as respects the year 1949-50 and subsequent years of assessment.