

Finance Act 1939

1939 CHAPTER 41

PART IV

ESTATE DUTY.

31 Exclusion of certain debts, and c, from deduction in valuing for estate duty.

- (1) Any allowance which, but for this provision, would be made under subsection (1) of section seven of the Finance Act, 1894, for a debt incurred by the deceased as mentioned in paragraph (a) of that subsection, or for an incumbrance created by a disposition made by the deceased as therein mentioned, shall be subject to abatement to an extent proportionate to the value of any of the consideration given therefor which consisted of—
 - (a) property derived from the deceased; or
 - (b) consideration not being such property as afore said, but given by any person who was at any time entitled to, or amongst whose resources there was at any time included, any property derived from the deceased:

Provided that if, where the whole or a part of the consideration given consisted of such consideration as is mentioned in paragraph (b) of this subsection, it is proved to the satisfaction of the Commissioners that the value of the consideration given, or of that part thereof, as the case may be, exceeded that which could have been rendered available by application of all the property derived from the deceased, other than such (if any) of that property as is included in the consideration given or as to which the like facts are proved in relation to the giving of the consideration as are mentioned in the proviso to subsection (1) of the last preceding section in relation to the purchase or provision of an annuity or other interest, no abatement shall be made in respect of the excess.

(2) Money or money's worth paid or applied by the deceased in or towards satisfaction or discharge of a debt or incumbrance in the case of which subsection (1) of this section would have had effect on his death if the debt or incumbrance had not been satisfied or discharged, or in reduction of a debt or incumbrance in the case of which that subsection has effect on his death, shall, unless so paid or applied three years before

Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.

the death, be treated as property deemed to be included in the property passing on the death by virtue of paragraph (c) of subsection (1) of section two of the Finance Act, 1894, and Estate duty shall, notwithstanding anything in section three of that Act, be payable in respect thereof accordingly.

- (3) The provisions of subsection (3) of the last preceding section shall have effect for the purpose of this section as they have effect for the purpose of that section.
- (4) This section shall have effect only in the case of a person dying after the twenty-fifth day of April, nineteen hundred and thirty-nine.