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 STATUTORY INSTRUMENTS
 

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## 1981 No. 880

## CAPITAL TRANSFER TAX

**The Capital Transfer Tax (Delivery of Accounts)  
Regulations 1981**

<i>Made</i> - - - - -	22 June 1981
<i>Laid before the House of Commons</i>	22 June 1981
<i>Coming into Operation</i> - - -	1 August 1981

The Commissioners of Inland Revenue, in exercise of the powers conferred on them by section 94(1) of the Finance Act 1980(a), hereby make the following regulations:—

*Citation, commencement and extent*

1. These Regulations may be cited as the Capital Transfer Tax (Delivery of Accounts) Regulations 1981 and shall come into operation on 1st August 1981.

2. These Regulations do not extend to Scotland or Northern Ireland.

*Interpretation*

3. In these Regulations, unless the context otherwise requires:—

“an excepted estate” means the estate of a person immediately before his death where:—

- (a) the value of the estate is attributable wholly to property passing under that person’s will or intestacy or under a nomination of an asset taking effect on death or by survivorship in beneficial joint tenancy;
- (b) the total gross value of that property did not exceed £25,000;
- (c) of that property not more than 10 per cent. of the total gross value or £1,000, whichever figure is the higher, represented value attributable to property then situated outside the United Kingdom; and
- (d) that person died on or after 1st April 1981, domiciled in the United Kingdom and without having made any chargeable transfer during his lifetime;

“the prescribed period” in relation to any person is the period beginning with that person’s death and ending 35 days after the making of the first grant of representation in respect of that person in England and Wales (not being a grant limited in duration, in respect of property or to any special purpose);

“value” means value for the purposes of tax.

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(a) 1980 c. 48.

*Accounts*

4. Notwithstanding anything in paragraph 2 of Schedule 4 to the Finance Act 1975(a) or section 94 of the Finance Act 1980, no person shall be required to deliver to the Board an account of the property comprised in an excepted estate, unless the Board so require by a notice in writing issued to that person within the prescribed period.

5. If any person who has not delivered an account in reliance on Regulation 4 discovers at any time that the estate is not an excepted estate, the delivery to the Board within six months of that time of an account of the property comprised in that estate shall satisfy any requirement to deliver an account imposed on that person.

*Discharge of persons and property from tax*

6. Subject to Regulation 7 and unless within the prescribed period the Board issue a notice requiring an account of the property comprised in an excepted estate, all persons shall at the expiration of that period be discharged from any claim for tax on the value transferred by the chargeable transfer made on the deceased's death and attributable to the value of that property and any Inland Revenue charge for that tax shall then be extinguished.

7. Regulation 6 shall not discharge any person from tax in the case of fraud or failure to disclose material facts and shall not affect any tax that may be payable if further property is later shown to form part of the estate and, in consequence of that property, the estate is not an excepted estate.

*Transfers reported late*

8. Where no account of a person's excepted estate is required by the Board, an account of that estate shall, for the purposes of section 114(6) of the Finance Act 1976(b) (delivery of account to be treated as payment where tax rate nil), be treated as having been delivered on the last day of the prescribed period in relation to that person.

By Order of the Commissioners of Inland Revenue.

*J. H. Gracey,*

Secretary.

22 June 1981.

(a) 1975 c. 7.

(b) 1976 c. 40.

**EXPLANATORY NOTE**

*(This Note is not part of the Order.)*

These regulations dispense with the need to deliver an account for the purposes of capital transfer tax where (subject to specified exceptions) the value of the deceased's estate does not exceed £25,000. The regulations have effect in relation to the estates of persons who died on or after 1st April 1981.



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