
 STATUTORY INSTRUMENTS

1986 No. 528

CAPITAL TRANSFER TAX

The Capital Transfer Tax (Indexation) Order 1986

Made - - - - - 18th March 1986

The Treasury, in pursuance of section 8(4) of the Capital Transfer Tax Act 1984(a), hereby make the following Order:—

1. This Order may be cited as the Capital Transfer Tax (Indexation) Order 1986.

2. The amounts which, unless Parliament otherwise determines, shall be treated by virtue of section 8 of the Capital Transfer Tax Act 1984 as specified in the Tables in Schedule 1 to that Act in relation to chargeable transfers on or after 6th April 1986 are as follows:—

FIRST TABLE

Portion of value		Rate of tax
Lower limit £	Upper limit £	Per cent
0	71,000	Nil
71,000	95,000	30
95,000	129,000	35
129,000	164,000	40
164,000	206,000	45
206,000	257,000	50
257,000	317,000	55
317,000	—	60

SECOND TABLE

Portion of value		Rate of tax
Lower limit £	Upper limit £	Per cent
0	71,000	Nil
71,000	95,000	15
95,000	129,000	17½
129,000	164,000	20
164,000	206,000	22½
206,000	257,000	25
257,000	317,000	27½
317,000	—	30

(a) 1984 c. 51.

*T. Garel-Jones,
Donald Thompson,*
Two of the Lords Commissioners
of Her Majesty's Treasury.

18th March 1986.

EXPLANATORY NOTE

(This Note is not part of the Order.)

By this Order, made under the provisions of section 8 of the Capital Transfer Tax Act 1984, new Tables of rate bands and rates are substituted in Schedule 1 to that Act for the previous Tables which were imposed by the Capital Transfer Tax (Indexation) Order 1985 (S.I. 1985/429). The figures in the first and second columns of the Tables are the amounts specified in the previous Tables increased by the amount of the percentage increase (5.69%) in the retail prices index for December 1985 over that for December 1984. The figures are rounded upward to the nearest £1,000 in accordance with section 8(2). The "retail prices index" is defined in section 8(3) as "the general index of retail prices (for all items) published by the Department of Employment". The retail prices index for December 1984 is 358.5 and for December 1985 378.9 (based on January 1974 as 100). (Table 6.4 of the Department of Employment Gazette, January 1986.)

The new Tables will apply in relation to chargeable transfers on or after 6th April 1986 unless Parliament otherwise determines.

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