

1989 No. 1298 (C.44)

**INCOME TAX
INHERITANCE TAX
TAXES**

**The Finance Act 1989, section 178(1),
(Appointed Day No. 1) Order 1989**

Made - - - -

27th July 1989

The Treasury, in exercise of the powers conferred on them by section 178(7) of the Finance Act 1989(a), hereby make the following Order:

1. This Order may be cited as the Finance Act 1989, section 178(1), (Appointed Day No. 1) Order 1989.

2.—(1) The day appointed for the enactments specified in paragraph (2) for periods beginning on or after which section 178(1) of the Finance Act 1989 shall have effect is 18th August 1989.

(2) The enactments specified in this paragraph are—

- (a) section 8(9) of the Finance Act 1894(b),
- (b) section 18 of the Finance Act 1896(c),
- (c) section 61(5) of the Finance (1909–10) Act 1910(d),
- (d) section 17(3) of the Law of Property Act 1925(e),
- (e) section 73(6) of the Land Registration Act 1925(f),
- (f) sections 86, 86A, 87 and 88 of the Taxes Management Act 1970(g),

(a) 1989 c.26.

(b) 1894 c.30; section 8(9) was amended by section 179(2) of the Finance Act 1989.

(c) 1896 c.28; section 18 was amended by section 179(1) of the Finance Act 1989.

(d) 1910 c.8; section 61(5) was amended by section 9 of the Finance Act 1912 (c.8) and section 179(1) of the Finance Act 1989.

(e) 1925 c.20; section 17(3) was amended by section 179(1) of the Finance Act 1989.

(f) 1925 c.21; section 73(6) was amended by section 179(1) of the Finance Act 1989.

(g) 1970 c.9; section 86 was substituted by section 46(1) of the Finance (No. 2) Act 1975 (c.45); the section as substituted was amended by sections 61(3) and 62(1) and (2) of the Finance Act 1980 (c.48), by section 69(1) of the Finance Act 1982 (c.39), by section 844(1) of, and paragraph 32 of Schedule 29 to, the Income and Corporation Taxes Act 1988 (c.1) and by section 179(1) of the Finance Act 1989. Other modifications and applications of the section were made by section 46(2) of the Finance (No. 2) Act 1975 (c.45), section 62(6) of the Finance Act 1981 (c.35) and by section 26 of, and paragraph 13(9) of Schedule 5 to, the Finance Act 1983 (c.28). Section 86A was inserted (for the purposes of development land tax only) by section 41 of, and paragraph 21(2) of Schedule 8 to, the Development Land Tax Act 1976 (c.24) and amended by section 115(2) and section 122(4) of, and Part XIV of Schedule 20 to, the Finance Act 1980 (c.48), by section 123(4) of the Finance Act 1984 (c.43) and by section 179(1) of the Finance Act 1989. (The Development Land Tax Act 1976 (c.24) was repealed by section 98(6) of, and Part X of Schedule 27 to, the Finance Act 1985 (c.54)). Section 87 was substituted by section 111 of, and paragraph 10 of Schedule 24 to, the Finance Act 1972 (c.41); the section as substituted was amended by section 46(3) of the Finance (No. 2) Act 1975 (c.45), by section 62(1) and (2) of the Finance Act 1980 (c.48), by section 844(1) of, and paragraph 32 of Schedule 29 to, the Income and Corporation Taxes Act 1988 (c.1) and by section 179(1) of the Finance Act 1989. Section 88 was amended by section 37(1) of, and paragraph 87 of Schedule 6 to, the Finance Act 1971 (c.68), section 111 of, and paragraph 11 of Schedule 24 to, the Finance Act 1972 (c.41), section 46(4) of the Finance (No. 2) Act 1975 (c.45), section 41 of, and (for the purposes of development land tax only) paragraph 22(1) of Schedule 8 to, the Development Land Tax Act 1976 (c.24), by section 61(4) of the Finance Act 1980 (c.48), by section 844(1) and (3) of, and paragraph 32 of Schedule 29 and Schedule 31 to, the Income and Corporation Taxes Act 1988 (c.1) and by section 179(1) of the Finance Act 1989.

- (g) paragraph 3 of Schedule 16A to the Finance Act 1973(a),
- (h) paragraphs 15 and 16 of Schedule 2, and paragraph 8 of Schedule 5, to the Oil Taxation Act 1975(b),
- (i) section 47 of the Finance (No. 2) Act 1975(c),
- (j) paragraph 59 of Schedule 8 to the Development Land Tax Act 1976(d),
- (k) sections 233 and 236(3) and (4) of the Inheritance Tax Act 1984(e),
- (l) section 92 of the Finance Act 1986(f), and
- (m) sections 160, 824 and 825 of, and paragraph 3 of Schedule 19A to, the Income and Corporation Taxes Act 1988(g).

*Kenneth Carlisle
David Lightbown*

27th July 1989

Two of the Lords Commissioners of Her Majesty's Treasury

(a) 1973 c.51; Schedule 16A was inserted by section 58(4) of the Finance Act 1988 (c.39) and amended by section 179(1) of the Finance Act 1989.

(b) 1975 c.22; paragraphs 15 and 16 of Schedule 2 and paragraph 8 of Schedule 5 were amended by section 2 of the Petroleum Revenue Tax Act 1980 (c.1) and by section 179(1) of the Finance Act 1989.

(c) 1975 c.45; section 47 was amended by paragraph 32 of Schedule 29 and by Schedule 31 to the Income and Corporation Taxes Act 1988 (c.1), by Part IV of Schedule 14 to the Finance Act 1988 (c.39) and by section 179(1) of the Finance Act 1989.

(d) 1976 c.24; paragraph 59 of Schedule 8 was amended by sections 179(1) and 180(3) of the Finance Act 1989.

(e) 1984 c.51; subsection (1)(c) of section 233 was amended by section 94 of, and paragraph 11 of Schedule 26 to, the Finance Act 1985 (c.54), in relation to events on or after 19th March 1985. Subsection (1) was amended, and subsection (1A) was inserted, by section 60(1) and (3) and section 60(2) and (3), respectively, of the Finance Act 1987 (c.16), where the acceptance referred to in section 230 of the Inheritance Tax Act 1984 occurs on or after 17th March 1987. Subsection (1) was further amended by section 179(1) of the Finance Act 1989. Subsection (2) of section 233 was amended by section 101(3) of, and paragraph 32 of Schedule 19 to, the Finance Act 1986 (c.41), with respect to transfers of value made and other events occurring after 17th March 1986, and by section 179(1) of the Finance Act 1989. Section 236(4) was amended by section 179(3) of the Finance Act 1989. By virtue of section 100(1) and (2) of the Finance Act 1986, on and after 25th July 1986 the Capital Transfer Tax Act 1984 may be cited as the Inheritance Tax Act 1984, and any reference in that Act to capital transfer tax is to have effect as a reference to inheritance tax, except where the reference relates to a liability arising before 25th July 1986.

(f) 1986 c.41; section 92 was amended by Schedule 7 to the Finance Act 1987 (c.16) and by sections 179(1) and 180(5) of the Finance Act 1989.

(g) 1988 c.1; sections 160, 824 and 825 were amended by section 179(1) of the Finance Act 1989 and Schedule 19A was inserted by section 58(4) of the Finance Act 1988 (c.39) and amended by section 179(1) of the Finance Act 1989.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order appoints 18th August 1989 as the day for periods beginning on or after which section 178(1) of the Finance Act 1989 ("section 178(1)") and the repeals contained in Part X of Schedule 17 to that Act, are to have effect for the enactments specified in the Order. Section 178(1) provides that the rate of interest for the purposes of the enactments to which that section applies is to be the rate provided for by regulations made by the Treasury under that section. At the same time as making this Order the Treasury have made the Taxes (Interest Rate) Regulations (S.I. 1989/1297) under that section, which also comes into force on 18th August 1989.

By virtue of section 179(4) of the Finance Act 1989, the amendments made to various enactments by subsections (1), (2) and (3) of that section have effect in relation to any period for which section 178(1) has effect for the purposes of those enactments. Accordingly the amendments of the enactments specified in the Order have effect in relation to periods beginning on or after 18th August 1989.