
STATUTORY INSTRUMENTS

1996 No. 1470

INHERITANCE TAX

The Inheritance Tax (Delivery of Accounts) Regulations 1996

<i>Made</i>	- - - -	<i>5th June 1996</i>
<i>Laid before the House of Commons</i>	- - - -	<i>6th June 1996</i>
<i>Coming into force</i>	- -	<i>1st July 1996</i>

The Commissioners of Inland Revenue, in exercise of the powers conferred on them by section 256(1)(a) of the Inheritance Tax Act 1984(1), hereby make the following Regulations:

1.—(1) These Regulations may be cited as the Inheritance Tax (Delivery of Accounts) Regulations 1996, shall come into force on 1st July 1996 and shall have effect in relation to deaths occurring on or after 6th April 1996.

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

2. In regulation 3 of the Capital Transfer Tax (Delivery of Accounts) Regulations 1981(2), for the definition of “an excepted estate” there shall be substituted the following definition—

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

- (a) that person died on or after 6th April 1996, domiciled in the United Kingdom;
- (b) the value of that person’s estate is attributable wholly to property passing under his will or intestacy or under a nomination of an asset taking effect on death or by survivorship in a beneficial joint tenancy;
- (c) of that property not more than £30,000 represented value attributable to property which, immediately before that person’s death, was situated outside the United Kingdom;
- (d) that person died without having made any chargeable transfers during the period of seven years ending with his death other than specified transfers where the aggregate value transferred did not exceed £50,000; and
- (e) the aggregate of the gross value of that person’s estate and of the value transferred by any specified transfers made by that person did not exceed £180,000;

(1) 1984 c. 51. By virtue of section 100(1) and (2) of the Finance Act 1986 (c. 41) 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 to tax arising before 25th July 1986.

(2) S.I. 1981/880, amended by S.I. 1983/1039, 1987/1127, 1989/1078, 1990/1110, 1991/1248 and 1995/1461.

Status: This is the original version (as it was originally made).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

and in paragraphs (d) and (e) of this definition “specified transfers” means chargeable transfers made during the period of seven years ending with that person’s death where the value transferred is attributable to cash or to quoted shares or securities;”.

5th June 1996

S C T Matheson
G H Bush
Two of the Commissioners of Inland Revenue

EXPLANATORY NOTE

(This note is not part of the Regulations)

Regulation 4 of the Capital Transfer Tax (Delivery of Accounts) Regulations 1981 (S.I.1981/880) (“the principal Regulations”) provides that a person is not required to deliver an account of the property comprised in an excepted estate for inheritance tax purposes. (By virtue of section 100 of the Finance Act 1986 (c. 41) capital transfer tax is now known as inheritance tax.) An excepted estate is defined in regulation 3 of the principal Regulations.

These Regulations substitute a new definition of “an excepted estate” in respect of deaths on or after 6th April 1996.

The definition now substituted differs from the previous definition in three respects. First, the limit for the value of the property situated outside the United Kingdom which may form part of the deceased’s estate is raised from £15,000 to £30,000. Secondly, the estate may still be an excepted estate where the deceased has made chargeable transfers during the period of seven years ending with his death if those transfers are specified transfers (as defined) where the aggregate value transferred does not exceed £50,000. Thirdly, the condition that the total gross value of the estate immediately before the deceased’s death does not exceed a specified amount (£145,000 at the time of the making of these Regulations) is replaced by a condition that the aggregate of the gross value of the deceased’s estate and of the value transferred by any specified transfers made by the deceased does not exceed £180,000.