

SCHEDULE 2

Section 9.

PROVISIONS APPLYING ON REDUCTION OF TAX

Interpretation

- 1 In this Schedule—
- (a) references to a reduction are to a reduction of tax by the substitution of new Tables in Schedule 1 to this Act, and
 - (b) references to something happening before or after a reduction are to its happening before or, as the case may be, on or after the date on which the Tables giving effect to the reduction come into force.

Death within three years of chargeable transfer

- 2 Where a person who has made a chargeable transfer before a reduction dies after that reduction (or after that and one or more subsequent reductions) and within three years of the transfer, additional tax shall be chargeable by reason of his death only if, and to the extent that, it would have been so chargeable if the first of the Tables in Schedule 1 as substituted by that reduction (or by the most recent of those reductions) had applied to that transfer.

Settlement without interest in possession

- 3 Where tax is chargeable under section 65 of this Act on any occasion after a reduction and the rate at which it is charged is determined under section 69 by reference to the rate that was (or would have been) charged under section 64 on an occasion before that reduction (or before that and one or more other reductions), the rate charged on the later occasion shall be determined as if the second of the Tables in Schedule 1 as substituted by that reduction (or by the most recent of those reductions) had been in force on the earlier occasion.

Disposal of trees etc. following exemption on death

- 4 Where the value of any trees or underwood has been left out of account under Chapter III of Part V of this Act in determining the value transferred by the chargeable transfer made on a death before a reduction and tax is chargeable under section 126 on a disposal of the trees or underwood after that reduction (or after that and one or more subsequent reductions) the rate or rates mentioned in section 128 shall be determined as if the first of the Tables in Schedule 1 as substituted by that reduction (or by the most recent of those reductions) had applied to that transfer.

Conditionally exempt transfers

- 5 Where tax is chargeable under section 32 of this Act by reason of a chargeable event occurring after a reduction and the rate or rates at which it is charged fall to be determined under the provisions of section 33(1)(b)(ii) by reference to a death which occurred before that reduction (or before that and one or more other reductions) those provisions shall apply as if the Tables in Schedule 1 as substituted by that reduction (or by the most recent of those reductions) had been in force at the time of the death.

Status: This is the original version (as it was originally enacted).

Maintenance funds for historic buildings

- 6 Where tax is chargeable under paragraph 8 of Schedule 4 to this Act on any occasion after a reduction and the rate at which it is charged falls to be determined under paragraph 14 of that Schedule by reference to a death which occurred before that reduction (or before that and one or more other reductions) paragraph 14 shall apply as if the Tables in Schedule 1 as substituted by that reduction (or by the most recent of those reductions) had been in force at the time of the death.

Mutual transfers

- 7 Any question whether any, and if so what, tax is repayable or ceases to be payable by virtue of subsection (1)(a) of section 149 of this Act in a case where—
- (a) the donor's transfer was before a reduction, and
 - (b) the donee's transfer is after that reduction (or after that and one or more subsequent reductions),
- shall be determined as if the Tables in Schedule 1 as substituted by that reduction (or by the most recent of those reductions) had applied to the donor's transfer; but this paragraph shall not be construed as affecting the amount of tax which, under subsection (3) of that section, falls to be taken into account in calculating the cancelled value.