



# Inheritance Tax Act 1984

## 1984 CHAPTER 51

### PART I

#### GENERAL

##### *Main charges and definitions*

### **3 Transfers of value.**

- (1) Subject to the following provisions of this Part of this Act, a transfer of value is a disposition made by a person (the transferor) as a result of which the value of his estate immediately after the disposition is less than it would be but for the disposition; and the amount by which it is less is the value transferred by the transfer.
- (2) For the purposes of subsection (1) above no account shall be taken of the value of excluded property which ceases to form part of a person's estate as a result of a disposition.
- (3) [<sup>F1</sup> Where the value of a person's estate is diminished, and the value—
  - (a) of another person's estate, or
  - (b) of any settled property, other than settled property treated by section 49(1) below as property to which a person is beneficially entitled,is increased] by the first-mentioned person's omission to exercise a right, he shall be treated for the purposes of this section as having made a disposition at the time (or latest time) when he could have exercised the right, unless it is shown that the omission was not deliberate.
- (4) Except as otherwise provided, references in this Act to a transfer of value made, or made by any person, include references to events on the happening of which tax is chargeable as if a transfer of value had been made, or, as the case may be, had been made by that person; and "transferor" shall be construed accordingly.

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**Changes to legislation:** *There are currently no known outstanding effects for the Inheritance Tax Act 1984, Section 3. (See end of Document for details)*

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**Textual Amendments**

**F1** Words in s. 3(3) substituted (22.3.2006) by [Finance Act 2006 \(c. 25\)](#), s. 156, Sch. 20 paras. 7, 8

**Changes to legislation:**

There are currently no known outstanding effects for the Inheritance Tax Act 1984, Section 3.