



Finance Act 1993

1993 CHAPTER 34

PART IV

INHERITANCE TAX

198 Fall in value relief: qualifying investments.

- (1) In the ^{M1}Inheritance Tax Act 1984, in Part VI (valuation) in Chapter III (sale of shares etc. from deceased's estate) there shall be inserted after section 186—

“186A Cancelled investments.

- (1) Where any qualifying investments comprised in a person's estate immediately before his death are—
- (a) cancelled within the period of twelve months immediately following the date of the death without being replaced by other shares or securities, and
 - (b) held, immediately before cancellation, by the appropriate person, they shall be treated for the purposes of this Chapter as having been sold by the appropriate person for a nominal consideration (one pound) immediately before cancellation.
- (2) Where any qualifying investments are included in the calculation under section 179(1) above by virtue of this section, paragraph (b) of that subsection shall have effect, so far as relating to those investments, with the omission of the words from “or” to the end.

186B Suspended investments.

- (1) This section applies to any qualifying investments comprised in a person's estate immediately before his death in respect of which quotation on a recognised stock exchange or dealing on the Unlisted Securities Market is

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suspended at the end of the period of twelve months immediately following the date of the death (“the relevant period”).

(2) Where—

- (a) any qualifying investments to which this section applies are, at the end of the relevant period, held by the appropriate person, and
- (b) the value on death of those investments exceeds their value at the end of that period,

they shall be treated for the purposes of this Chapter as having been sold by the appropriate person immediately before the end of that period for a price equal to their value at that time.

(3) Where any qualifying investments are included in the calculation under section 179(1) above by virtue of this section, paragraph (b) of that subsection shall have effect, so far as relating to those investments, with the omission of the words from “or” to the end.”

(2) This section shall have effect in relation to deaths occurring on or after 16th March 1992.

Marginal Citations

M1 1984 c. 51.

Changes to legislation:

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