



Capital Transfer Tax Act 1984

1984 CHAPTER 51

PART I

GENERAL

Rates

7 Rates

- (1) The tax charged on the value transferred by a chargeable transfer made by any transferor shall be charged at the following rate or rates, that is to say—
 - (a) if the transfer is the first chargeable transfer made by that transferor in the period of ten years ending with the date of the transfer, at the rate or rates applicable to that value under the appropriate Table in Schedule 1 to this Act;
 - (b) in any other case, at the rate or rates applicable under that Table to such part of the aggregate of—
 - (i) that value, and
 - (ii) the values transferred by previous chargeable transfers made by him in that period,as is the highest part of that aggregate and is equal to that value.
- (2) Except as otherwise provided, the first Table in Schedule 1 to this Act is the appropriate Table for a transfer made on or at any time within three years of the death of the transferor, and the second Table in that Schedule is the appropriate Table for any other transfer.
- (3) In each of the Tables in Schedule 1 to this Act any rate shown in the third column is that applicable to such portion of the value concerned as exceeds the lower limit shown in the first column but does not exceed the upper limit (if any) shown in the second column

8 Indexation of rate bands

- (1) If the retail prices index for the month of December in 1984 or any later year is higher than it was for the previous December, then, unless Parliament otherwise determines, section 7 above and Schedule 1 to this Act shall apply to chargeable transfers made on or after 6th April in the following year with the substitution of new Tables for the Tables applying (whether by virtue of this section or otherwise) to earlier chargeable transfers.
- (2) The new Tables shall differ from the Tables they replace in that for each of the amounts specified in the first and second columns there shall be substituted amounts arrived at by increasing the previous amounts by the same percentage as the percentage increase in the retail prices index and, if the result is not a multiple of £1,000, rounding it up to the nearest amount which is such a multiple.
- (3) The references in this section to the retail prices index are references to the general index of retail prices (for all items) published by the Department of Employment; and if that index is not published for a month of December those references shall be construed as references to any substituted index or index figures published by that Department.
- (4) The Treasury shall before 6th April 1985 and each subsequent 6th April make an order specifying the amounts which by virtue of this section will be treated, in relation to chargeable transfers on or after that date, as specified in the Tables in Schedule 1 to this Act; and any such order shall be made by statutory instrument.

9 Transitional provisions on reduction of tax

The transitional provisions in Schedule 2 to this Act shall have effect in relation to any enactment by virtue of which tax is reduced by the substitution of new Tables in Schedule 1.