



Inheritance Tax Act 1984

1984 CHAPTER 51

PART V U.K.

MISCELLANEOUS RELIEFS

CHAPTER I U.K.

BUSINESS PROPERTY

109 Successive transfers. U.K.

(1) Where—

- (a) the whole or part of the value transferred by a transfer of value (in this section referred to as the earlier transfer) was eligible for relief under this Chapter (or would have been so eligible if such relief had been capable of being given in respect of transfers of value made at that time), and
- (b) the whole or part of the property which, in relation to the earlier transfer, was relevant business property became, through the earlier transfer, the property of the person or of the spouse [^{F1}or civil partner] of the person who is the transferor in relation to a subsequent transfer of value, and
- (c) that property or part, or any property directly or indirectly replacing it, would (apart from section 106 above) have been relevant business property in relation to the subsequent transfer of value, and
- (d) either the earlier transfer was, or the subsequent transfer of value is, a transfer made on the death of the transferor,

the property which would have been relevant business property but for section 106 above shall be relevant business property notwithstanding that section.

- (2) Where the property which, by virtue of subsection (1) above, is relevant business property replaced the property or part referred to in paragraph (c) of that subsection, relief under this Chapter shall not exceed what it would have been had the replacement

Changes to legislation: *There are currently no known outstanding effects for the Inheritance Tax Act 1984, Section 109. (See end of Document for details)*

or any one or more of the replacements not been made, but section 107(3) above shall apply with the necessary modifications for the purposes of this subsection.

- (3) Where, under the earlier transfer, the amount of the value transferred which was attributable to the property or part referred to in subsection (1)(c) above was part only of its value, a like part only of the value which (apart from this subsection) would fall to be reduced under this Chapter by virtue of this section shall be so reduced.

Textual Amendments

- F1** Words in s. 109(1)(b) inserted (5.12.2005) by [The Tax and Civil Partnership Regulations 2005 \(S.I. 2005/3229\)](#), regs. 1(1), **20**

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