



Finance Act 1963

1963 CHAPTER 25

PART III

ESTATE DUTY

53 Gifts in consideration of marriage

- (1) In the case of a person dying after the passing of this Act a disposition purporting to operate as a gift inter vivos shall not be treated for the purposes of section 59(2) of the Finance (1909-10) Act 1910 as a gift made in consideration of marriage—
- (a) in the case of an outright gift, if or in so far as it is a gift to a person other than a party to the marriage ;
 - (b) in the case of any other disposition, if the persons who are or may become entitled to any benefit under the disposition include any person other than—
 - (i) the parties to the marriage, issue of the marriage, or a wife or husband of any such issue;
 - (ii) persons becoming entitled on the failure of trusts for any such issue under which trust property would (subject only to any power of appointment to a person falling within sub-paragraph (i) or (iii) of this paragraph) vest indefeasibly on the attainment of a specified age or either on the attainment of such an age or on some earlier event, or persons becoming entitled (subject as aforesaid) on the failure of any limitation in tail;
 - (iii) a subsequent wife or husband of a party to the marriage, or any issue, or the wife or husband of any issue, of a subsequent marriage of either party ;
 - (iv) persons becoming entitled under such trusts, subsisting under the law of England or of Northern Ireland, as are specified in section 33(1) of the Trustee Act 1925 (protective trusts), the principal beneficiary being a person falling within sub-paragraph (i) or (iii) of this subsection, or under such trusts modified by the enlargement, as respects any period during which there is no such issue as aforesaid

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- in existence, of the class of potential beneficiaries specified in paragraph (ii) of the said section 33(1);
- (v) persons becoming entitled under trusts subsisting under the law of Scotland and corresponding with such trusts as are mentioned in the foregoing sub-paragraph;
 - (vi) as respects a reasonable amount by way of remuneration, the trustees of the settlement.
- (2) A disposition made by either of the parties to a marriage shall not be prevented from being treated as a gift for the purposes of section 2(1)(c) of the Finance Act 1894 (description of property deemed to pass on death) by reason only that it is in any way made in consideration of marriage, and references to a gift in the other enactments relating to estate duty (including the foregoing subsection) shall be construed accordingly.
- (3) References in this section to issue shall apply as if any person legitimated by a marriage, or adopted by the husband and wife jointly, were included among the issue of that marriage.
- (4) This section shall not apply where the disposition was made before the 4th April 1963.