



# Finance Act 1975

## 1975 CHAPTER 7

### PART I

#### VALUE ADDED TAX

**1** ..... <sup>F1</sup>

**Textual Amendments**

**F1** S. 1 repealed by Finance (No. 2) Act 1979 (c. 47, SIF 63:1), s. 25(5), **sch. 5 pt. I**

**2** ..... <sup>F2</sup>

**Textual Amendments**

**F2** S. 2 repealed by Finance (No. 2) Act 1975 (c. 45, SIF 63:1), ss. 17(7), 75(5), **sch. 14 pt. IV**

**3** ..... <sup>F3</sup>

**Textual Amendments**

**F3** S. 3 repealed by Value Added Tax Act 1983 (c. 55, SIF 40:2), s. 50(2), **sch. 11**

**4** ..... <sup>F4</sup>

*Status: Point in time view as at 01/02/1991.*  
*Changes to legislation: There are currently no known outstanding effects for the Finance Act 1975. (See end of Document for details)*

**Textual Amendments**  
F4 S. 4 repealed by [Customs and Excise Management Act 1979 \(c. 2, SIF 40:1\)](#), s. 177(3), **sch. 6 pt. I**

**PART II**

**INCOME TAX AND CORPORATION TAX**

**5–12** ..... F5

**Textual Amendments**  
F5 Ss. 5–12, 16, 17 repealed by [Income and Corporation Taxes Act 1988 \(c. 1, SIF 63:1\)](#), s. 844, **Sch. 31**

**13—** ..... F6  
**15.**

**Textual Amendments**  
F6 Ss. 13–15 repealed by [Capital Allowances Act \(c. 1, SIF 63:1\)](#), s. 164(4), Sch. 2

**16,17** ..... F7

**Textual Amendments**  
F7 Ss. 5–12, 16, 17 repealed by [Income and Corporation Taxes Act 1988 \(c. 1, SIF 63:1\)](#), s. 844, **Sch. 31**

**18** ..... F8

**Textual Amendments**  
F8 S. 18 repealed by [Finance Act 1981 \(c. 35, SIF 63:1\)](#) s. 139(6), Sch. 19 Pt. VII, in relation to any period of account ending on or after 14 November 1980; See [Finance Act 1981 \(c. 35, SIF 63:1\)](#) s. 35, Schs. 9, 10 (transitional)

**PART III**

**CAPITAL TRANSFER TAX**

**Modifications etc. (not altering text)**  
C1 Pt. III (ss. 19–52) modified by [Finance Act 1977 \(c. 36, SIF 63:1\)](#), s. 49(2)(5)

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**C2** Pt. III (ss. 19–52) applied by [Finance Act 1978 \(c. 42, SIF 63:1\)](#), **s. 68**

*Main charging provisions*

**19 Capital transfer tax.**

- (1) ..... **F9**
- (2) Schedule 4 to this Act shall have effect with respect to the administration and collection of the tax.

**Textual Amendments**

**F9** [S. 19\(1\)](#) repealed by [Capital Transfer Tax Act 1984 \(c. 51, SIF 18\)](#), **Sch. 9**

**20—47** ..... **F10**

**Textual Amendments**

**F10** [Ss. 20–47, 49\(3\)\(5\), 51](#) repealed by [Capital Transfer Tax Act 1984 \(c. 51, SIF 65\)](#) ss. 274, 277, schs. 7, 9

*Estate duty and obsolete death duties*

**48 Interest on repayment of estate duty and on instalments of duty.**

- (1) In relation to any period falling after 12th November 1974 any sums repayable as sums paid in excess of estate duty or interest on estate duty shall carry interest at the same rate as that at which the the duty, if outstanding, would have carried interest.
- (2) Interest paid to any person under this section shall not be income of that person for any tax purposes.
- (3) Subject to the following provisions of this section, where estate duty charged on a death occurring after 12th November 1974 is payable by instalments under section 62 of the <sup>M1</sup>Finance Act 1971 or section 3 of the <sup>M2</sup>Finance Act (Northern Ireland) 1971—
- (a) as being charged in respect of property falling within paragraph (a) or (b) of subsection (2) of that section ; or
  - (b) as being attributable to the net value of a business or an interest in a business ;
- it shall, for the purpose of any interest to be added to each instalment, be treated as carrying interest from the date at which the instalment is payable.
- (4) Subsection (3) above does not apply to estate duty payable in respect of shares or securities of a company falling within paragraph (a) of subsection (5) below unless it also falls within paragraph (b) or (c) of that subsection.
- (5) The companies referred to in subsection (4) above are—

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- (a) any company whose business consists wholly or mainly of one or more of the following, that is to say, dealing in securities, stocks or shares, land or buildings, or making or holding investments ;
  - (b) any company whose business consists wholly or mainly in being a holding company (within the meaning of section 154 of the <sup>M3</sup>Companies Act 1948) of one or more companies not falling within paragraph (a) above ; and
  - (c) any company whose business is that of a jobber (as defined in section 477 of the Taxes Act) or discount house, and is carried on in the United Kingdom.
- (6) Subsection (3) above does not apply to estate duty charged in respect of property which, by reason of an interest which came to an end, or a gift which was made, before 13th November 1974, passes on death by virtue of section 2(1)(b)(i) or section 2(1)(c) of the <sup>M4</sup>Finance Act 1894.
- (7) Subsection (3) above applies only to the extent that the principal value in respect of which the duty is payable as mentioned therein does not exceed £250,000 ; and any excess shall be attributed to duty in respect of the shares, securities, business or interest concerned in proportion to their respective values.

#### Modifications etc. (not altering text)

- C3** The text of s. 48 is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991.
- C4** S. 48 amended by Companies Consolidation (Consequential Provisions) Act 1985 (c. 9, SIF 27), **sch. 2**, and (*retrosp.*) by Finance Act 1989 (c. 26, SIF 63:1), **s. 180(1)(4)**

#### Marginal Citations

- M1** 1971 c. 68.  
**M2** 1971 c. 27 (N.I.).  
**M3** 1948 c. 38.  
**M4** 1894 c. 30.

## 49 Abolition of estate duty and transitional provisions.

- (1) Estate duty shall not be levied on the principal value of any property passing on a death occurring after the passing of this Act ; and the enactments relating to estate duty shall have effect in relation to a death occurring before the passing of this Act but after 12th November 1974 subject to the amendments specified in Schedule 11 to this Act.
- (2) Part II of Schedule 8 to this Act shall have effect for making, in relation to deaths occurring after 12th November 1974, provisions with respect to estate duty similar to those made with respect to capital transfer tax by Part I of that Schedule.
- (3) ..... <sup>F11</sup>
- (4) Where estate duty is under section 61(5) of the <sup>M5</sup>Finance (1909-10) Act 1910 payable on the net moneys received from the sale of timber, trees or wood when felled or cut during the period referred to therein and that period has not ended before the passing of this Act, that period shall end immediately after the first transfer of value made after the passing of this Act in which the value transferred is, or is determined by reference to, the value of the land concerned, other than a transfer exempt by virtue of paragraph 1 of Schedule 6 to this Act.

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(5) ..... F11

**Textual Amendments**

**F11** Ss. 20–47, 49(3)(5), 51 repealed by Capital Transfer Tax Act 1984 (c. 51, SIF 65) ss. 274, 277, schs. 7, 9

**Modifications etc. (not altering text)**

**C5** S. 49 amended by Capital Transfer Tax Act 1984 (c. 51, SIF 65), s. 276, sch. 8 para. 4

**Marginal Citations**

**M5** 1910 c. 8

**50 Final abolition of obsolete death duties.**

- (1) After the passing of this Act no person shall in any case be required to account for or pay, and the Board shall not in any case charge, levy, recover or collect—
- (a) any duty described in Schedule 1 to the <sup>M6</sup>Finance Act 1894 ;
  - (b) any duty imposed on a representation or inventory by any Act in force before the <sup>M7</sup>Customs and Inland Revenue Act 1881 ;
  - (c) any legacy duty, succession duty or settlement estate duty ;
- (including in each case any duty which is then outstanding).
- (2) This section does not affect any right to repayment of or to any allowance in respect of any sum paid before the passing of this Act on account of any such duty.

**Modifications etc. (not altering text)**

**C6** The text of ss. 50, 52(3), 54(1), 57(1)(a)(b), (2)(in part), 58, Sch. 4 para. 38(2), Sch. 8 Pt. II (ss. 12–16), Sch. 11, Sch. 13 is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991.

**Marginal Citations**

**M6** 1894 c. 30.

**M7** 1881 c. 12.

*Supplemental*

**51** ..... F12

**Textual Amendments**

**F12** Ss. 20–47, 49(3)(5), 51 repealed by Capital Transfer Tax Act 1984 (c. 51, SIF 65) ss. 274, 277, schs. 7, 9

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**52 Consequential amendments and repeals.**

- (1) In consequence of the preceding provisions of this Part of this Act the enactments mentioned in Schedule 12 to this Act shall have effect subject to the amendments specified therein.
- (2) The enactments mentioned in Part I of Schedule 13 to this Act are hereby repealed, to the extent specified in the third column of that Part—
  - (a) in relation to deaths occurring after the passing of this Act; and
  - (b) so far as they relate to the duties mentioned in section 50 of this Act, in relation to any death.
- (3) The repeal by this section of any enactment relating to a duty mentioned in section 50 of this Act shall not affect its operation for the purposes of any such right to repayment or allowance as is referred to in subsection (2) of that section.

**Modifications etc. (not altering text)**

**C7** The text of ss. 50, 52(3), 54(1), 57(1)(a)(b), (2)(in part), 58, Sch. 4 para. 38(2), Sch. 8 Pt. II (ss. 12–16), Sch. 11, Sch. 13 is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991.

**PART IV**

MISCELLANEOUS AND GENERAL

**53** ..... <sup>F13</sup>

**Textual Amendments**

**F13** S. 53 repealed with savings by [Capital Gains Tax Act 1979 \(c. 14, SIF 63:2\)](#), s. 158, [Sch. 8](#)

**54 Appeals on questions of value of unquoted shares or securities.**

- (1) In section 47(3) of the Taxes Management Act 1970 for the words from “by the General Commissioners” to “section 44(4) of this Act” there shall be substituted the words “ by the Special Commissioners. ”
- (2) Where at the time this Act is passed any such appeal as is mentioned in section 47(3) of the Taxes Management Act 1970 is pending before any General Commissioners, the Special Commissioners may, if they think fit, on an application made by the parties, arrange with the General Commissioners for the transfer of the proceedings to the Special Commissioners, and the proceedings may be so transferred accordingly.

**Modifications etc. (not altering text)**

**C8** The text of ss. 50, 52(3), 54(1), 57(1)(a)(b), (2)(in part), 58, Sch. 4 para. 38(2), Sch. 8 Pt. II (ss. 12–16), Sch. 11, Sch. 13 is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991.

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**55** ..... F14

**Textual Amendments**

**F14** S. 55 repealed by Finance Act 1984 (c. 43, SIF 99:3), s. 128(6), Sch. 23 Pt. XIV

**56 Signature of certain requisitions and requests of the Treasury.**

Without prejudice to the <sup>M8</sup>Treasury Instruments (Signature) Act 1849, any requisition or request for a credit under section 13 or 15 of the <sup>M9</sup>Exchequer and Audit Departments Act 1866 or section 1(3) of the <sup>M10</sup>National Loans Act 1968 may be signed by any two of the following persons, namely the Secretaries of the Treasury and such officers as the Treasury may from time to time appoint to that duty.

**Marginal Citations**

**M8** 1849 c. 89.

**M9** 1866 c. 39.

**M10** 1968 c. 13.

**57 Appointment of General Commissioners in Scotland, and amendment of declaration to be made by certain officers.**

- (1) As from 16th May 1975 subsection (3) of section 2 of the Taxes Management Act 1970 (appointment of General Commissioners for divisions in Scotland) shall be amended as follows, that is to say—
  - (a) for the words “the appropriate local authority” there shall be substituted the words “ the Secretary of State ”; and
  - (b) the words from “but” to the end of the subsection shall be omitted;and any appointment made under that subsection before that date shall have effect on and after it as if made under that subsection as so amended.
- (2) In the form of declaration set out in Part I of Schedule 1 to the Taxes Management Act 1970 (declarations by General and Special Commissioners and others), for the words from “my duties” to “gains” (where that word first occurs) there shall be substituted the words “ the duties of my office ”, for the words “my duties” where occurring elsewhere in that form there shall be substituted the words “ those duties ”, and for the words “income tax or any tax on company profits or capital gains” there shall be substituted the words “ inland revenue ”.
- (3) Nothing in subsection (2) above shall invalidate any declaration made before the passing of this Act.

**Modifications etc. (not altering text)**

**C9** The text of ss. 50, 52(3), 54(1), 57(1)(a)(b), (2)(in part), 58, Sch. 4 para. 38(2), Sch. 8 Pt. II (ss. 12–16), Sch. 11, Sch. 13 is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991.

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## 58 Amendments of Vehicles (Excise) Act (Northern Ireland) 1972.

(1) In section 7 of the <sup>M11</sup>Vehicles (Excise) Act (Northern Ireland) of 1972 (that is to say 1972 c. 10 of Northern Ireland) as amended by Article 15 of the <sup>M12</sup>Finance (Northern Ireland) Order 1972, subsection (2A) (vehicles adapted for use by disabled persons exempt from duty under that Act) shall be amended as follows—

- (a) for the words “specifically and extensively adapted” there shall be substituted the word “suitable”, and
- (b) paragraph (a) shall be omitted

This subsection shall be deemed to have come into force on 31st July 1974 (when corresponding amendments took effect in Great Britain).

(2) Section 38(1) of that Act shall have effect, and be deemed always to have had effect, with the substitution for “1971” (enacted in error for “1972”) of “1972”.

### Modifications etc. (not altering text)

**C10** The text of ss. 50, 52(3), 54(1), 57(1)(a)(b), (2)(in part), 58, Sch. 4 para. 38(2), Sch. 8 Pt. II (ss. 12–16), Sch. 11, Sch. 13 is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991.

### Marginal Citations

**M11** 1972 c. 10 (N.I).  
**M12** S.I. 1972 No. 1100.

## 59 Citation, interpretation, construction and repeals.

(1) This Act may be cited as the Finance Act 1975.

(2) In this Act “the Taxes Act” means the Income and Corporation Tax Act 1970.

(3) In this Act—

- (a) ..... <sup>F15</sup>
- (b) Part II, so far as it relates to income tax, shall be construed as one with the Income Tax Acts and, so far as it relates to corporation tax, shall be construed as one with the Corporation Tax Acts.

(4) Except so far as the context otherwise requires, any reference in this Act to any enactment shall be construed as a reference to that enactment as amended, and as including a reference to that enactment as applied, by or under any other enactment, including this Act.

(5) The enactments mentioned in Schedule 13 to this Act are hereby repealed to the extent specified in the third column of that Schedule, but subject to any provision at the end of any Part of that Schedule.

### Textual Amendments

**F15** S. 59(3)(a) repealed by Value Added Tax Act 1983 (c. 55, SIF 40:2), s. 50(2), sch. 11



**Status:**

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**Changes to legislation:**

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