



Finance Act 1975

1975 CHAPTER 7

PART III

CAPITAL TRANSFER TAX

Reliefs and related provisions

32 Charge on failure of condition of exemption

- (1) Where, under section 31 of this Act, the value of an object has been left out of account and the Treasury are satisfied that at any time the undertaking given under that section with respect to the object has not been observed in a material respect, tax shall be chargeable with respect to the object in accordance with section 33 of this Act and the person liable for the tax shall be the person who, if the object were sold at the time the tax becomes chargeable, would be entitled to receive (whether for his benefit or not) the proceeds of sale or any income arising from them.
- (2) Where, under section 31 of this Act, the value of an object has been left out of account and—
 - (a) subsection (1) above does not apply ; but
 - (b) the object is disposed of, whether on sale or otherwise,then, subject to the following provisions of this section, tax shall be chargeable with respect to the object in accordance with section 33 of this Act and the person liable for the tax shall be the person for whose benefit the object is disposed of ; but where the value of an object has been so left out of account on the death of more than one person the tax chargeable under this subsection shall be chargeable only by reference to the last death.
- (3) Tax shall not be chargeable by virtue of subsection (2) above with respect to an object—
 - (a) on its being sold by private treaty to a body mentioned in paragraph 12 of Schedule 6 to this Act or on its being disposed of to such a body otherwise than by sale; or

Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.

- (b) if it is disposed of otherwise than by sale and the under taking previously given with respect to it is replaced by a further undertaking under section 31 of this Act.
- (4) For the purposes of subsection (2) above the acceptance of an object under paragraph 17 of Schedule 4 to this Act shall not be treated as a disposal of the object.