



Inheritance Tax Act 1984

1984 CHAPTER 51

PART IX

MISCELLANEOUS AND SUPPLEMENTARY

Miscellaneous

262 Tax chargeable in certain cases of future payments, etc.

- (1) Where a disposition made for a consideration in money or money's worth is a transfer of value and any payments made or assets transferred by the transferor in pursuance of the disposition are made or transferred more than one year after the disposition is made, tax (if any) shall be charged as if—
 - (a) any payment made or asset transferred in pursuance of the disposition were made or transferred in pursuance of a separate disposition made, without consideration, at the time the payment is made or the asset is transferred, and
 - (b) the amount of the payment made or the value of the asset transferred in pursuance of each of those separate dispositions were the chargeable portion of the payment or asset.
- (2) For the purposes of this section the chargeable portion of any payment made or any asset transferred at any time shall be such portion of its value at that time as is found by applying to it the fraction of which—
 - (a) the numerator is the value actually transferred by the disposition first mentioned in subsection (1) above (calculated as if no tax were payable on it), and
 - (b) the denominator is the value, at the time of that disposition, of the aggregate of the payments made or to be made and assets transferred or to be transferred by the transferor in pursuance of it.

Status:

Point in time view as at 01/02/1991.

Changes to legislation:

There are currently no known outstanding effects for the Inheritance Tax Act 1984, Section 262.