
*Changes to legislation: There are currently no known outstanding effects
for the Finance Act 1986, Paragraph 8. (See end of Document for details)*

SCHEDULE 19

INHERITANCE TAX

PART I

AMENDMENTS OF 1984 ACT

- 8 (1) In section 31 (designation and undertakings) after subsection (1) there shall be inserted the following subsection—

“(1A) Where the transfer of value in relation to which the claim for designation is made is a potentially exempt transfer which (apart from section 30 above) has proved to be a chargeable transfer, the question whether any property is appropriate for designation under this section shall be determined by reference to circumstances existing after the death of the transferor.”

- (8) After subsection (4F) of that section there shall be inserted the following subsection—

“(4G) In a case where—

- (a) the transfer of a value in question is a potentially exempt transfer which, (apart from section 30 above) has proved to be a chargeable transfer, and
- (b) at the time of the transferor’s death an undertaking by such a person as is mentioned in section 30(1)(b) above given under paragraph 3(3) of Schedule 4 to this Act or under section 147 of the Capital Gains Tax Act 1979 is in force with respect to any property to which the value transferred by the transfer is attributable,

that undertaking shall be treated for the purposes of this Chapter as an undertaking given under section 30 above.”

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 1986, Paragraph 8.