



Inheritance Tax Act 1984

1984 CHAPTER 51

PART V

MISCELLANEOUS RELIEFS

CHAPTER V

MISCELLANEOUS

Changes in distribution of deceased's estate, etc.

146 Inheritance (Provision for Family and Dependants) Act 1975.

- (1) Where an order is made under section 2 of the ^MInheritance (Provision for Family and Dependants) Act 1975 (“the 1975 Act”) in relation to any property forming part of the net estate of a deceased person, then, without prejudice to section 19(1) of that Act, the property shall for the purposes of this Act be treated as if it had on his death devolved subject to the provisions of the order.
- (2) Where an order is made under section 10 of the 1975 Act requiring a person to provide any money or other property by reason of a disposition made by the deceased, then—
 - (a) if that disposition was a chargeable transfer and the personal representatives of the deceased make a claim for the purpose [^Fnot more than 4 years after the date on which the order is made]—
 - (i) tax paid or payable on the value transferred by that chargeable transfer (whether or not by the claimants) shall be repaid to them by the Board or, as the case may be, shall not be payable, and
 - (ii) the rate or rates of tax applicable to the transfer of value made by the deceased on his death shall be determined as if the values previously transferred by chargeable transfers made by him were reduced by that value;

Changes to legislation: There are currently no known outstanding effects for the Inheritance Tax Act 1984, Section 146. (See end of Document for details)

- (b) the money or property shall be included in the deceased's estate for the purpose of the transfer of value made by him on his death.
- (3) Where the money or other property ordered to be provided under section 10 of the 1975 Act is less than the maximum permitted by that section, subsection (2)(a) above shall have effect in relation to such part of the value there mentioned as is appropriate.
- (4) The adjustment in consequence of the provisions of this section or of section 19(1) of the 1975 Act of the tax payable in respect of the transfer of value made by the deceased on his death shall not affect—
- (a) the amount of any deduction to be made under section 8 of that Act in respect of tax borne by the person mentioned in subsection (3) of that section, or
- (b) the amount of tax to which regard is to be had under section 9(2) of that Act; and where a person is ordered under that Act to make a payment or transfer property by reason of his holding property treated as part of the deceased's net estate under section 8 or 9 and tax borne by him is taken into account for the purposes of the order, any repayment of that tax shall be made to the personal representatives of the deceased and not to that person.
- (5) Tax repaid under paragraph (a)(i) of subsection (2) above shall be included in the deceased's estate for the purposes of the transfer of value made by him on his death; and tax repaid under that paragraph or under subsection (4) above shall form part of the deceased's net estate for the purposes of the 1975 Act.
- (6) Anything which is done in compliance with an order under the 1975 Act or occurs on the coming into force of such an order, and which would (apart from this subsection) constitute an occasion on which tax is chargeable under any provision, other than section 79, of Chapter III of Part III of this Act, shall not constitute such an occasion; and where an order under the 1975 Act provides for property to be settled or for the variation of a settlement, and (apart from this subsection) tax would be charged under section 52(1) above on the coming into force of the order, section 52(1) shall not apply.
- (7) In subsections (2)(a) and (5) above references to tax include references to interest on tax.
- (8) Where an order is made staying or dismissing proceedings under the 1975 Act on terms set out in or scheduled to the order, this section shall have effect as if any of those terms which could have been included in an order under section 2 or 10 of that Act were provisions of such an order.
- (9) In this section any reference to, or to any provision of, the 1975 Act includes a reference to, or to the corresponding provision of, the ^{M2}Inheritance (Provision for Family and Dependants) (Northern Ireland) Order 1979.

Textual Amendments

F1 Words in s. 146(2)(a) inserted (1.4.2011) by [Finance Act 2009 \(c. 10\), s. 99, Sch. 51 para. 7; S.I. 2010/867, art. 2\(2\)](#)

Marginal Citations

M1 1975 c. 63.

M2 S.I. 1979/924 (N.I. 8.).

Changes to legislation:

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