



# Inheritance Tax Act 1984

## 1984 CHAPTER 51

### PART I

#### GENERAL

##### *Main charges and definitions*

#### **6 Excluded property.**

(1) Property situated outside the United Kingdom is excluded property if the person beneficially entitled to it is an individual domiciled outside the United Kingdom.

[<sup>F1</sup>(1A) A holding in an authorised unit trust and a share in an open-ended investment company is excluded property if the person beneficially entitled to it is an individual domiciled outside the United Kingdom.]

[<sup>F2</sup>[<sup>F3</sup>(1B) A relevant decoration or award is excluded property if it has never been the subject of a disposition for a consideration in money or money's worth.

(1BA) In subsection (1B) “relevant decoration or award” means a decoration or other similar award—

- (a) that is designed to be worn to denote membership of—
  - (i) an Order that is, or has been, specified in the Order of Wear published in the London Gazette (“the Order of Wear”), or
  - (ii) an Order of a country or territory outside the United Kingdom,
- (b) that is, or has been, specified in the Order of Wear,
- (c) that was awarded for valour or gallant conduct,
- (d) that was awarded for, or in connection with, a person being, or having been, a member of, or employed or engaged in connection with, the armed forces of any country or territory,
- (e) that was awarded for, or in connection with, a person being, or having been, an emergency responder within the meaning of section 153A (death of emergency service personnel etc), or

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*Changes to legislation: There are currently no known outstanding effects for the Inheritance Tax Act 1984, Section 6. (See end of Document for details)*

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- (f) that was awarded by the Crown or a country or territory outside the United Kingdom for, or in connection with, public service or achievement in public life.]
- (1C) In subsection (1B) the reference to a disposition of the decoration or other award includes—
- (a) a reference to a disposition of part of it, and
  - (b) a reference to a disposition of an interest in it (or in part of it).]
- (2) Where securities have been issued by the Treasury subject to a condition authorised by section 22 of the <sup>M1</sup>Finance (No. 2) Act 1931 (or section 47 of the <sup>M2</sup>Finance (No. 2) Act 1915) for exemption from taxation so long as the securities are in the beneficial ownership of persons [<sup>F4</sup>of a description specified in the condition], the securities are excluded property if they are in the beneficial ownership of such a person.
- (3) Where the person beneficially entitled to the rights conferred by any of the following, namely—
- (a) war savings certificates;
  - (b) national savings certificates (including Ulster savings certificates);
  - (c) premium savings bonds;
  - (d) deposits with the National Savings Bank or with a trustee savings bank;
  - (e) a [<sup>F5</sup>certified SAYE savings arrangement] within the meaning of [<sup>F6</sup>section 703(1) of the Income Tax (Trading and Other Income) Act 2005];
- is domiciled in the Channel Islands or the Isle of Man, the rights are excluded property.
- (4) Property to which this subsection applies by virtue of section 155(1) [<sup>F7</sup>or (5A)] below is excluded property.
- [<sup>F8</sup>(5) This section is subject to Schedule A1 (non-excluded overseas property).]

#### Textual Amendments

- F1** S. 6(1A) inserted (with effect as stated in s. 186(8) of the amending Act) by [Finance Act 2003 \(c. 14\), s. 186\(2\)](#)
- F2** S. 6(1B)(1BA) substituted for s. 6(1B) (with effect in accordance with s. 74(2) of the amending Act) by [Finance Act 2015 \(c. 11\), s. 74\(1\)](#)
- F3** S. 6(1B)(1C) inserted (6.4.2009 with effect as mentioned in art. 14(2) of the amending S.I.) by The Enactment of Extra-Statutory Concessions Order 2009 (S.I. 2009/730, [art. 14\(1\)](#))
- F4** Words in s. 6(2) substituted (29.4.1996 with effect as mentioned in s. 154(9) of the amending Act) by 1996 c. 8, s. 154(7), [Sch. 28 para. 7](#) (with s. 154(5))
- F5** Words in s. 6(3)(e) substituted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), ss. 882, 883, Sch. 1 para. 394\(a\)](#) (with [Sch. 2](#))
- F6** Words in s. 6(3)(e) substituted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), ss. 882, 883, Sch. 1 para. 394\(b\)](#) (with [Sch. 2](#))
- F7** Words in s. 6(4) inserted (17.7.2012) by [Finance Act 2012 \(c. 14\), Sch. 37 para. 2](#)
- F8** S. 6(5) inserted (with effect in accordance with Sch. 10 para. 9 of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\), Sch. 10 para. 3](#)

#### Marginal Citations

- M1** 1931 c. 49.

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***Changes to legislation:*** *There are currently no known outstanding effects for the Inheritance Tax Act 1984, Section 6. (See end of Document for details)*

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**M2** 1915 c. 89.

**Changes to legislation:**

There are currently no known outstanding effects for the Inheritance Tax Act 1984, Section 6.