



# Finance Act 1997

## 1997 CHAPTER 16

### PART VI

#### INHERITANCE TAX

#### 93 Rate bands.

- (1) For the Table in Schedule 1 to the <sup>M1</sup>Inheritance Tax Act 1984 there shall be substituted—

Table of Rates of Tax

<i>Portion of value</i>		<i>Rate of tax</i> <i>Per cent.</i>
<i>Lower limit (£)</i>	<i>Upper limit (£)</i>	
0	215,000	Nil
215,000		40

- (2) Subsection (1) above shall apply to any chargeable transfer made on or after 6th April 1997; and section 8 of that Act (indexation of rate bands) shall not have effect as respects any difference between the retail prices index for the month of September 1995 and that for the month of September 1996.

#### Marginal Citations

M1 [1984 c. 51.](#)

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*Changes to legislation: There are currently no known outstanding effects for the Finance Act 1997, Part VI. (See end of Document for details)*

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## 94 Agricultural property relief.

After section 124B of the <sup>M2</sup>Inheritance Tax Act 1984 there shall be inserted the following section—

### “124C Land in habitat schemes.

- (1) For the purposes of this Chapter, where any land is in a habitat scheme—
  - (a) the land shall be regarded as agricultural land;
  - (b) the management of the land in accordance with the requirements of the scheme shall be regarded as agriculture; and
  - (c) buildings used in connection with such management shall be regarded as farm buildings.
- (2) For the purposes of this section land is in a habitat scheme at any time if—
  - (a) an application for aid under one of the enactments listed in subsection (3) below has been accepted in respect of the land; and
  - (b) the undertakings to which the acceptance relates have neither been terminated by the expiry of the period to which they relate nor been treated as terminated.
- (3) Those enactments are—
  - (a) regulation 3(1) of the <sup>M3</sup>Habitat (Water Fringe) Regulations 1994;
  - (b) the <sup>M4</sup>Habitat (Former Set-Aside Land) Regulations 1994;
  - (c) the <sup>M5</sup>Habitat (Salt-Marsh) Regulations 1994;
  - (d) the <sup>M6</sup>Habitats (Scotland) Regulations 1994, if undertakings in respect of the land have been given under regulation 3(2)(a) of those Regulations;
  - (e) the <sup>M7</sup>Habitat Improvement Regulations (Northern Ireland) 1995, if an undertaking in respect of the land has been given under regulation 3(1) (a) of those Regulations.
- (4) The Treasury may by order made by statutory instrument amend the list of enactments in subsection (3) above.
- (5) The power to make an order under subsection (4) above shall be exercisable by statutory instrument subject to annulment in pursuance of a resolution of the House of Commons.
- (6) This section has effect—
  - (a) in relation to any transfer of value made on or after 26th November 1996; and
  - (b) in relation to transfers of value made before that date, for the purposes of any charge to tax, or to extra tax, which arises by reason of an event occurring on or after 26th November 1996.”

#### Marginal Citations

- M2** 1984 c. 51.  
**M3** S.I. 1994/1291.  
**M4** S.I. 1994/1292.  
**M5** S.I. 1994/1293.

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**Changes to legislation:** *There are currently no known outstanding effects for the Finance Act 1997, Part VI. (See end of Document for details)*

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- M6** [S.I. 1994/2710 \(S.138\)](#).
- M7** [S.R. \(N.I.\) 1995 No.134](#).

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 1997, Part VI.