

SCHEDULES

SCHEDULE 15

Section 84

CHARGE TO INCOME TAX ON BENEFITS RECEIVED BY FORMER OWNER OF PROPERTY

Introductory

- 1 In this Schedule—
- “IHTA 1984” means the Inheritance Tax Act 1984 (c. 51);
 - “the 1986 Act” means the Finance Act 1986 (c. 41);
 - “chattel” means any tangible movable property (or, in Scotland, corporeal movable property) other than money;
 - “excluded transaction” has the meaning given by paragraph 10;
 - “intangible property” means any property other than chattels or interests in land;
 - “interest in land” has the same meaning as in Chapter 4 of Part 6 of IHTA 1984;
 - “land” has the same meaning as in IHTA 1984;
 - “prescribed” means prescribed by regulations;
 - “property” has the same meaning as in IHTA 1984;
 - “regulations” means regulations made by the Treasury under this Schedule;
 - “settlement” and “settled property” have the same meanings as in IHTA 1984.
- 2 Section 839 of the Taxes Act 1988 (connected persons) applies for the purposes of this Schedule, but as if in that section “relative” included uncle, aunt, nephew and niece and “settlement”, “settlor” and “trustee” had the same meanings as in IHTA 1984.

Land

- 3 (1) This paragraph applies where—
- (a) an individual (“the chargeable person”) occupies any land (“the relevant land”), whether alone or together with other persons, and
 - (b) the disposal condition or the contribution condition is met as respects the land.
- (2) The disposal condition is that—
- (a) at any time after 17th March 1986 the chargeable person owned an interest—
 - (i) in the relevant land, or
 - (ii) in other property the proceeds of the disposal of which were (directly or indirectly) applied by another person towards the acquisition of an interest in the relevant land, and

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- (b) the chargeable person has disposed of all, or part of, his interest in the relevant land or the other property, otherwise than by an excluded transaction.
- (3) The contribution condition is that at any time after 17th March 1986 the chargeable person has directly or indirectly provided, otherwise than by an excluded transaction, any of the consideration given by another person for the acquisition of—
 - (a) an interest in the relevant land, or
 - (b) an interest in any other property the proceeds of the disposal of which were (directly or indirectly) applied by another person towards the acquisition of an interest in the relevant land.
- (4) For the purposes of this paragraph a disposition which creates a new interest in land out of an existing interest in land is to be taken to be a disposal of part of the existing interest.
- (5) Where this paragraph applies to a person in respect of the whole or part of a year of assessment, an amount equal to the chargeable amount determined under paragraph 4 is to be treated as income of his chargeable to income tax.
- 4 (1) For any taxable period the chargeable amount in relation to the relevant land is the appropriate rental value (as determined under sub-paragraph (2)), less the amount of any payments which, in pursuance of any legal obligation, are made by the chargeable person during the period to the owner of the relevant land in respect of the occupation of the land by the chargeable person.

- (2) The appropriate rental value is—

$$R \times \frac{DV}{V}$$

where—

R is the rental value of the relevant land for the taxable period,

DV is—

- (a) in a case falling within paragraph 3(2)(a)(i), the value as at the valuation date of the interest in the relevant land that was disposed of as mentioned in paragraph 3(2)(b) by the chargeable person or, where the disposal was a non-exempt sale, the appropriate proportion of that value,
- (b) in a case falling within paragraph 3(2)(a)(ii), such part of the value of the relevant land at the valuation date as can reasonably be attributed to the property originally disposed of by the chargeable person or, where the original disposal was a non-exempt sale, to the appropriate proportion of that property, and
- (c) in a case falling within paragraph 3(3), such part of the value of the relevant land at the valuation date as can reasonably be attributed to the consideration provided by the chargeable person, and

V is the value of the relevant land at the valuation date.

- (3) The “rental value” of the land for the taxable period is the rent which would have been payable for the period if the property had been let to the chargeable person at an annual rent equal to the annual value.

- (4) The disposal by the chargeable person of an interest in land is a “non-exempt sale” if (although not an excluded transaction) it was a sale of his whole interest in the property for a consideration paid in money in sterling or any other currency; and, in relation to a non-exempt sale, “the appropriate proportion” is—

$$\frac{MV - P}{MV}$$

where—

MV is the value of the interest in land at the time of the sale;

P is the amount paid.

- (5) Regulations may—
- (a) in relation to any valuation date, provide for a valuation of the relevant land or any interest in the relevant land by reference to an earlier valuation date to apply subject to any prescribed adjustments, and
 - (b) in relation to any year of assessment, provide for a determination of the rental value of the land by reference to any earlier year of assessment to apply subject to any prescribed adjustments.

- (6) In this paragraph—

“the taxable period” means the year of assessment, or part of a year of assessment, during which paragraph 3 applies to the chargeable person;

“the valuation date”, in relation to a taxable period, means such date as may be prescribed.

- 5 (1) For the purposes of paragraph 4 the annual value of the relevant land is the rent which might reasonably be expected to be obtained on a letting from year to year if—
- (a) the tenant undertook to pay all taxes, rates and charges usually paid by a tenant, and
 - (b) the landlord undertook to bear the costs of the repairs and insurance and the other expenses (if any) necessary for maintaining the property in a state to command that rent.
- (2) For the purposes of sub-paragraph (1) that rent—
- (a) is to be taken to be the amount that might reasonably be expected to be so obtained in respect of a letting of the land, and
 - (b) is to be calculated on the basis that the only amounts that may be deducted in respect of services provided by the landlord are amounts in respect of the cost to the landlord of providing any relevant services.
- (3) In this paragraph “relevant service” means a service other than the repair, insurance or maintenance of the premises.

Chattels

- 6 (1) This paragraph applies where—
- (a) an individual (“the chargeable person”) is in possession of, or has the use of, a chattel, whether alone or together with other persons, and
 - (b) the disposal condition or the contribution condition is met as respects the chattel.
- (2) The disposal condition is that—

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- (a) at any time after 17th March 1986 the chargeable person had (whether alone or jointly with others) owned—
 - (i) the chattel, or
 - (ii) any other property the proceeds of the disposal of which were (directly or indirectly) applied by another person towards the acquisition of the chattel, and
 - (b) the chargeable person disposed of all or part of his interest in the chattel or other property otherwise than by an excluded transaction.
- (3) The contribution condition is that at any time after 17th March 1986 the chargeable person had directly or indirectly provided, otherwise than by an excluded transaction, any of the consideration given by another person for the acquisition of—
- (a) the chattel, or
 - (b) any other property the proceeds of the disposal of which were (directly or indirectly) applied by another person towards the acquisition of the chattel.
- (4) For the purposes of this paragraph, a disposition which creates a new interest in a chattel out of an existing interest in a chattel is to be taken to be a disposal of part of the existing interest.
- (5) Where this paragraph applies to a person in respect of the whole or part of a year of assessment, an amount equal to the chargeable amount determined under paragraph 7 is to be treated as income of his chargeable to income tax.
- 7 (1) For any taxable period the chargeable amount in relation to any chattel is the appropriate amount (as determined under sub-paragraph (2)), less the amount of any payments which, in pursuance of any legal obligation, are made by the chargeable person during the period to the owner of the chattel in respect of the possession or use of the chattel by the chargeable person.

- (2) The appropriate amount is—

$$N \times \frac{DV}{V}$$

where—

N is the amount of the interest that would be payable for the taxable period if interest were payable at the prescribed rate on an amount equal to the value of the chattel as the valuation date,

DV is—

- (a) in a case falling within paragraph 6(2)(a)(i), the value as at the valuation date of the interest in the chattel that was disposed of as mentioned in paragraph 6(2)(b) by the chargeable person or, where the disposal was a non-exempt sale, the appropriate proportion of that value,
- (b) in a case falling within paragraph 6(2)(a)(ii), such part of the value of the chattel at the valuation date as can reasonably be attributed to the property originally disposed of by the chargeable person or, where the original disposal was a non-exempt sale, to the appropriate proportion of that property, and
- (c) in a case falling within paragraph 6(3), such part of the value of the chattel at the valuation date as can reasonably be attributed to the consideration provided by the chargeable person, and

V is the value of the chattel at the valuation date.

- (3) The disposal by the chargeable person of an interest in a chattel is a “non-exempt sale” if (although not an excluded transaction) it was a sale of his whole interest in the chattel for a consideration paid in money in sterling or any other currency; and, in relation to a non-exempt sale, “the appropriate proportion” is—

$$\frac{MV - P}{MV}$$

where—

MV is the value of the interest in the chattel at the time of the sale;

P is the amount paid.

- (4) Regulations may, in relation to any valuation date, provide for a valuation of the chattel or any interest in the chattel by reference to an earlier valuation date to apply subject to any prescribed adjustments.
- (5) In this paragraph—
“the taxable period” means the year of assessment, or part of a year of assessment, during which paragraph 6 applies to the chargeable person;
“the valuation date”, in relation to a taxable period, means such date as may be prescribed.

Intangible property comprised in settlement where settlor retains an interest

- 8 (1) This paragraph applies where—
- the terms of a settlement, as they affect any property comprised in the settlement, are such that any income arising from the property would be treated by virtue of section 660A of the Taxes Act 1988 (income arising under settlement where settlor retains an interest) as income of a person (“the chargeable person”) who is for the purposes of Part 15 of that Act the settlor,
 - any such income would be so treated even if subsection (2) of that section did not include any reference to the spouse of the settlor, and
 - that property includes any property as respects which the condition in sub-paragraph (2) is met (“the relevant property”).
- (2) The condition mentioned in sub-paragraph (1)(c) is that the property is intangible property which is or represents property which the chargeable person settled, or added to the settlement, after 17th March 1986.
- (3) Where this paragraph applies in respect of the whole or part of a year of assessment, an amount equal to the chargeable amount determined under paragraph 9 is to be treated as income of the chargeable person chargeable to income tax.
- 9 (1) For any taxable period the chargeable amount in relation to the relevant property is N minus T where—
- N is the amount of the interest that would be payable for the taxable period if interest were payable at the prescribed rate on an amount equal to the value of the relevant property at the valuation date, and
- T is the amount of any income tax or capital gains tax payable by the chargeable person in respect of the taxable period by virtue of any of the following provisions—
- section 547 of the Taxes Act 1988,
 - section 660A of that Act,

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- (c) section 739 of that Act,
 - (d) section 77 of the Taxation of Chargeable Gains Act 1992 (c. 12), and
 - (e) section 86 of that Act,
- so far as the tax is attributable to the relevant property.
- (2) Regulations may, in relation to any valuation date, provide for a valuation of the relevant property by reference to an earlier valuation date to apply subject to any prescribed adjustments.
- (3) In this paragraph—
- “the taxable period” means the year of assessment, or part of a year of assessment, during which paragraph 8 applies to the chargeable person;
 - “the valuation date”, in relation to a year of assessment, means such date as may be prescribed.

Excluded transactions

- 10 (1) For the purposes of paragraphs 3(2) and 6(2) (the disposal condition), the disposal of any property is an “excluded transaction” in relation to any person (“the chargeable person”) if—
- (a) it was a disposal of his whole interest in the property, except for any right expressly reserved by him over the property, either—
 - (i) by a transaction made at arm’s length with a person not connected with him, or
 - (ii) by a transaction such as might be expected to be made at arm’s length between persons not connected with each other,
 - (b) the property was transferred to his spouse (or where the transfer has been ordered by a court, to his former spouse),
 - (c) it was a disposal by way of gift (or, where the transfer is for the benefit of his former spouse, in accordance with a court order), by virtue of which the property became settled property in which his spouse or former spouse is beneficially entitled to an interest in possession,
 - (d) the disposal was a disposition falling within section 11 of IHTA 1984 (dispositions for maintenance of family), or
 - (e) the disposal is an outright gift to an individual and is for the purposes of IHTA 1984 a transfer of value that is wholly exempt by virtue of section 19 (annual exemption) or section 20 (small gifts).
- (2) For the purposes of paragraphs 3(3) and 6(3) (the contribution condition) the provision by a person (“the chargeable person”) of consideration for another’s acquisition of any property is an “excluded transaction” in relation to the chargeable person if—
- (a) the other person was his spouse (or, where the transfer has been ordered by the court, his former spouse),
 - (b) on its acquisition the property became settled property in which his spouse or former spouse is beneficially entitled to an interest in possession,
 - (c) the provision of the consideration constituted an outright gift of money (in sterling or any other currency) by the chargeable person to the other person and was made at least seven years before the earliest date on which the chargeable person met the condition in paragraph 3(1)(a) or, as the case may be, 6(1)(a),

- (d) the provision of the consideration is a disposition falling within section 11 of IHTA 1984 (dispositions for maintenance of family), or
 - (e) the provision of the consideration is an outright gift to an individual and is for the purposes of IHTA 1984 a transfer of value that is wholly exempt by virtue of section 19 (annual exemption) or section 20 (small gifts).
- (3) A disposal is not an excluded transaction by virtue of sub-paragraph (1)(c) or (2)(b), if the interest in possession of the spouse or former spouse has come to an end otherwise than on the death of the spouse or former spouse.

Exemptions from charge

- 11 (1) Paragraph 3 (land), paragraph 6 (chattels) and paragraph 8 (intangible property) do not apply to a person at a time when his estate for the purposes of IHTA 1984 includes—
- (a) the relevant property, or
 - (b) other property—
 - (i) which derives its value from the relevant property, and
 - (ii) whose value, so far as attributable to the relevant property, is not substantially less than the value of the relevant property.
- (2) Where the estate for the purposes of IHTA 1984 of a person to whom paragraph 3, 6 or 8 applies includes property—
- (a) which derives its value from the relevant property, and
 - (b) whose value, so far as attributable to the relevant property, is substantially less than the value of the relevant property,
- the appropriate rental value in paragraph 4, the appropriate amount in paragraph 7 or the chargeable amount in paragraph 9 (as the case may be) is to be reduced by such proportion as is reasonable to take account of the inclusion of the property in his estate.
- (3) Paragraphs 3, 6 and 8 do not apply to a person at a time when—
- (a) the relevant property, or
 - (b) any other property—
 - (i) which derives its value from the relevant property, and
 - (ii) whose value, so far as attributable to the relevant property, is not substantially less than the value of the relevant property,falls within sub-paragraph (5) in relation to him.
- (4) Where any property which falls within sub-paragraph (5) in relation to a person includes property—
- (a) which derives its value from the relevant property, and
 - (b) whose value, so far as attributable to the relevant property, is substantially less than the value of the relevant property,
- the appropriate rental value in paragraph 4, the appropriate amount in paragraph 7 or the chargeable amount in paragraph 9 (as the case may be) is to be reduced by such proportion as is reasonable to take account of that fact.
- (5) Property falls within this sub-paragraph in relation to a person at a time when it—

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- (a) would fall to be treated by virtue of any provision of Part 5 of the 1986 Act (inheritance tax) as property which in relation to him is property subject to a reservation,
 - (b) would fall to be so treated but for any of paragraphs (d) to (i) of subsection (5) of section 102 of the 1986 Act (certain cases where disposal by way of gift is an exempt transfer for purposes of inheritance tax),
 - (c) would fall to be so treated but for subsection (4) of section 102B of the 1986 Act (gifts with reservation: share of interest in land), or would have fallen to be so treated but for that subsection if the disposal by way of gift of an undivided share of an interest in land had been made on or after 9th March 1999, or
 - (d) would fall to be so treated but for section 102C(3) of, and paragraph 6 of Schedule 20 to, the 1986 Act (exclusion of benefit).
- (6) Where at any time the value of a person’s estate for the purposes of IHTA 1984 is reduced by an excluded liability affecting any property, that property is not to be treated for the purposes of sub-paragraph (1) or (2) as comprised in his estate except to the extent that the value of the property exceeds the amount of the excluded liability.
- (7) For the purposes of sub-paragraph (6) a liability is an excluded liability if—
- (a) the creation of the liability, and
 - (b) any transaction by virtue of which the person’s estate came to include the relevant property or property which derives its value from the relevant property or by virtue of which the value of property in his estate came to be derived from the relevant property,
- were associated operations, as defined by section 268 of IHTA 1984.
- (8) In determining whether any property falls within sub-paragraph (5)(b), (c) or (d) in a case where the contribution condition in paragraph 3(3) or 6(3) is met, paragraph 2(2)(b) of Schedule 20 (exclusion of gifts of money) is to be disregarded.
- (9) In sub-paragraphs (1) to (8) “the relevant property” means—
- (a) in relation to paragraphs 3 and 6—
 - (i) where the disposal condition in paragraph 3(2) or 6(2) is met, the property disposed of,
 - (ii) where the contribution condition in paragraph 3(3) or 6(3) is met, the property representing the consideration directly or indirectly provided,
 - (b) in relation to paragraph 8, the relevant property within the meaning of that paragraph.
- (10) Property is not to be treated as falling within sub-paragraph (5)(b) at any time in a case falling within section 102(5)(h) of the 1986 Act unless the property remains subject to trusts which comply with the requirements of paragraph 3 (1) of Schedule 4 to IHTA 1984.

Chargeable person resident or domiciled outside the United Kingdom

- 12 (1) This Schedule does not apply in relation to any person for any year of assessment during which he is not resident in the United Kingdom.

- (2) Where in any year of assessment a person is resident in the United Kingdom but is domiciled outside the United Kingdom, this Schedule does not apply to him unless the property falling within paragraph 3(1)(a), 6(1)(a) or 8(1)(c) is situated in the United Kingdom.
- (3) In the application of this Schedule to a person who was at any time domiciled outside the United Kingdom, no regard is to be had to any property which is for the purposes of IHTA 1984 excluded property in relation to him by virtue of section 48(3)(a) of that Act.
- (4) For the purposes of this paragraph, a person is to be treated as domiciled in the United Kingdom at any time only if he would be so treated for the purposes of IHTA 1984.

Exemption in cases where aggregate notional annual values do not exceed £5,000

- 13 (1) This paragraph applies where, in relation to any person who would (apart from this paragraph) be chargeable under this Schedule for any year of assessment, the aggregate of the amounts specified in sub-paragraph (2) in respect of that year does not exceed £5,000.
- (2) Those amounts are—
 - (a) in relation to any land to which paragraph 3 applies in respect of him, the appropriate rental value as determined under paragraph 4(2),
 - (b) in relation to any chattel to which paragraph 6 applies in respect of him, the appropriate amount as determined under paragraph 7(2), and
 - (c) in relation to any intangible property to which paragraph 8 applies in respect of him, the chargeable amount determined under paragraph 9.
- (3) Where this paragraph applies, the person is not chargeable for that year of assessment under any of the following provisions—
 - (a) paragraph 3(5) (land),
 - (b) paragraph 6(5) (chattels), or
 - (c) paragraph 8(3) (intangible property).

Power of Treasury to confer further exemptions by regulations

- 14 Regulations may confer further exemptions from the charges to income tax imposed by paragraphs 3, 6 and 8.

Valuation

- 15 Except as otherwise provided by this Schedule, the value of any property shall for the purposes of this Schedule be the price which the property might reasonably be expected to fetch if sold in the open market at that time; but that price shall not be assumed to be reduced on the ground that the whole property is to be placed on the market at one and the same time.

Changes in distribution of deceased's estate

- 16 Any disposition made by a person (“the chargeable person”) in relation to an interest in the estate of a deceased person is to be disregarded for the purposes of this Schedule if by virtue of section 17 of IHTA 1984 (changes in distribution of

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deceased's estate, etc.) the disposition is not treated for the purposes of inheritance tax as a transfer of value by the chargeable person.

Guarantees

- 17 Where a person (“A”) acts as guarantor in respect of a loan made to another person (“B”) by a third party in connection with B’s acquisition of any property, the mere giving of the guarantee is not to be regarded as the provision by A of consideration for B’s acquisition of the property.

Persons chargeable under different provisions by reference to same property

- 18 (1) Where, in any year of assessment, a person (“the chargeable person”) is (apart from this paragraph) chargeable to income tax both—
- (a) under paragraph 3 (land) or paragraph 6 (chattels) by reason of his occupation of any land or his possession or use of any chattel, and
 - (b) under paragraph 8 (intangible property) by reference to any intangible property which derives its value (whether in whole or part) from the land or the chattel,
- he is to be charged to income tax under whichever provision produces the higher chargeable amount in relation to him.
- (2) Where sub-paragraph (1) applies, only the amount under the paragraph under which he is chargeable is to be taken into account in relation to the chargeable person for the purposes of paragraph 13(2).

Relationship with Part 3 of Income Tax (Earnings and Pensions) Act 2003

- 19 Where, in any year of assessment, a person is (apart from this paragraph) chargeable, in respect of his occupation of any land or his possession or use of any chattel, to income tax both—
- (a) under this Schedule, and
 - (b) under Part 3 of the Income Tax (Earnings and Pensions) Act 2003 (c. 1),
- the provisions of that Part shall have priority and he shall not be chargeable to income tax under this Schedule, except to the extent that the amount chargeable under this Schedule exceeds the amount to be treated as earnings under that Part.

Regulations

- 20 (1) Regulations under this Schedule may—
- (a) make different provision for different cases, and
 - (b) include transitional provisions and savings.
- (2) Any power conferred by this Schedule to prescribe a rate of interest includes power—
- (a) to prescribe different rates in relation to property of different descriptions, and
 - (b) to prescribe a rate by reference to a rate specified in the regulations.

Election for application of inheritance tax provisions

- 21 (1) This paragraph applies where—

- (a) a person (“the chargeable person”) would (apart from this paragraph) be chargeable under paragraph 3 (land) or paragraph 6 (chattels) for any year of assessment (“the initial year”) by reference to his enjoyment of any property (“the relevant property”), and
 - (b) he has not been chargeable under the paragraph in question in respect of any previous year of assessment by reference to his enjoyment of the relevant property, or of any other property for which the relevant property has been substituted.
- (2) The chargeable person may elect in accordance with paragraph 23 that—
- (a) the preceding provisions of this Schedule shall not apply to him during the initial year and subsequent years of assessment by reference to his enjoyment of the relevant property or of any property which may be substituted for the relevant property, but
 - (b) so long as the chargeable person continues to enjoy the relevant property or any property which is substituted for the relevant property—
 - (i) the chargeable proportion of the property is to be treated for the purposes of Part 5 of the 1986 Act (in relation to the chargeable person) as property subject to a reservation, and
 - (ii) section 102(3) and (4) of that Act shall apply.
- (3) In this paragraph, “the chargeable proportion”, in relation to any property, means—

$$\frac{DV}{V}$$

where DV and V are to be read in accordance with paragraph 4(2) or 7(2), as the case requires, but as if—

- (a) any reference in paragraph 4(2) or 7(2) to the valuation date were a reference—
 - (i) in the case of property falling within subsection (3) of section 102 of the Finance Act 1986, to the date of the death of the chargeable person, and
 - (ii) in the case of property falling within subsection (4) of that section, to the date on which the property ceases to be treated as property subject to a reservation, and
 - (b) the transactions to be taken into account in calculating DV included transactions after the time when the election takes effect as well as transactions before that time.
- (4) For the purposes of this paragraph a person “enjoys” property if—
- (a) in the case of an interest in land, he occupies the land, and
 - (b) in the case of an interest in a chattel, he is in possession of, or has the use of, the chattel.

22 (1) This paragraph applies where—

- (a) a person (“the chargeable person”) would (apart from this paragraph) be chargeable under paragraph 8 (intangible property) for any year of assessment (“the initial year”) by reference to any property (“the relevant property”), and
- (b) he has not been chargeable under that paragraph in respect of any previous year of assessment by reference to the relevant property or any property which the relevant property represents or is derived from.

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- (2) The chargeable person may elect in accordance with paragraph 23 that—
- (a) the preceding provisions of this Schedule shall not apply to him during the initial year and subsequent years of assessment by reference to the relevant property or any property which represents or is derived from the relevant property, but
 - (b) so long as the conditions in sub-paragraph (3) are satisfied—
 - (i) the relevant property and any property which represents or is derived from the relevant property shall be treated for the purposes of Part 5 of the 1986 Act (in relation to the chargeable person) as property subject to a reservation, and
 - (ii) section 102(3) and (4) of the 1986 Act shall apply.
- (3) The conditions referred to in sub-paragraph (2)(b) are—
- (a) that the relevant property or the property which represents or is derived from the relevant property remains comprised in the settlement, and
 - (b) that any income arising under the settlement would be treated by virtue of section 660A of the Taxes Act 1988 as income of the chargeable person.
- 23 (1) In this paragraph—
- “election” means an election under paragraph 21 or 22;
 - “the relevant filing date” means 31st January in the year of assessment that immediately follows the initial year within the meaning of paragraph 21 or (as the case requires) paragraph 22.
- (2) The election must be made in the prescribed manner.
- (3) The election must be made on or before the relevant filing date, unless the chargeable person can show a reasonable excuse for the failure to make the election by that date.
- (4) Where the chargeable person can show reasonable excuse for the failure to make the election on or before the relevant filing date, the election must be made on or before such later date as may be prescribed.
- (5) The election may be withdrawn or amended, during the life of the chargeable person, at any time on or before the relevant filing date.
- (6) Subject to sub-paragraph (5), the election takes effect for the purposes of inheritance tax from the beginning of the initial year within the meaning of paragraph 21 or (as the case requires) paragraph 22 or, if later, the date on which the chargeable person would (but for the election) have first become chargeable under this Schedule by reference to the property to which the election relates.