

## SCHEDULES

### SCHEDULE 36

#### PENSION SCHEMES ETC: TRANSITIONAL PROVISIONS AND SAVINGS

##### PART 4

##### OTHER PROVISIONS

###### *Inheritance tax*

57 (1) The proportion of the assets of the fund or scheme which at any time is the protected proportion of those assets does not at that time constitute relevant property for the purposes of Chapter 3 of Part 3 of the Inheritance Tax Act 1984 (settlements without interest in possession).

(2) “The protected proportion” of the assets of the fund or scheme at a time is—

$$\frac{ACV}{V} \times 100$$

where—

V is the market value of the assets of the fund or scheme at that time, and  
ACV is the adjusted commencement value, that is an amount equal to the market value of the assets of the fund or scheme on 5th April 2006, but subject to the adjustments provided by sub-paragraph (3).

(3) The adjustments are—

- (a) an increase by the percentage by which the retail prices index for the month of September immediately preceding the time in question is greater than that for April 2006, and
- (b) a reduction by the amount of any relevant payments made under the fund or scheme on or after 6th April 2006 and before that time.

(4) “Relevant payments” are payments other than—

- (a) payments of costs or expenses, or
- (b) payments which are (or will be) income of any person for any of the purposes of income tax.