



# Finance Act 2006

## 2006 CHAPTER 25

### PART 6

#### INHERITANCE TAX

##### *Future rates and bands*

#### **155 Rates and rate bands for 2008-09 and 2009-10**

- (1) For the Table in Schedule 1 to IHTA 1984 (rates and rate bands), as it has effect in relation to chargeable transfers made on or after 6th April 2008, there shall be successively substituted—
- (a) the 2008-09 Table, which shall apply to any chargeable transfer made on or after 6th April 2008 (but before 6th April 2009), and
  - (b) the 2009-10 Table, which shall apply to any chargeable transfer made on or after 6th April 2009.
- (2) Subsection (1)(b) is without prejudice to the application of section 8 of IHTA 1984 (indexation) by virtue of the difference between the retail prices index for the month of September in 2008 or any later year and that for the month of September in the following year.
- (3) The 2008-09 Table is—

*“TABLE OF RATES OF TAX*

<i>Portion of value</i>		<i>Rate of tax</i>
<b>Lower limit (£)</b>	<b>Upper limit (£)</b>	<b>Per cent.</b>
0	312,000	Nil
312,000		40”

- (4) The 2009-10 Table is—

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*Changes to legislation: There are currently no known outstanding effects for the Finance Act 2006, Section 155. (See end of Document for details)*

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*“TABLE OF RATES OF TAX*

<i>Portion of value</i>		<i>Rate of tax</i>
<b>Lower limit (£)</b>	<b>Upper limit (£)</b>	<b>Per cent.</b>
0	325,000	Nil
325,000		40”

(5) Section 8(1) of IHTA 1984 (indexation of rate bands) shall not have effect as respects any difference between the retail prices index—

- (a) for the month of September 2006 and that for the month of September 2007, or
- (b) for the month of September 2007 and that for the month of September 2008.

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 2006, Section 155.