

**2011 No. 171**

**INHERITANCE TAX**

**The Tax Avoidance Schemes (Information) (Amendment)  
Regulations 2011**

<i>Made</i> - - - -	<i>31st January 2011</i>
<i>Laid before House of Commons</i>	<i>2nd February 2011</i>
<i>Coming into force</i> - -	<i>6th April 2011</i>

The Commissioners for Her Majesty's Revenue and Customs(a) make the following Regulations in accordance with the powers conferred by sections 308(1) and (3), 309(1), 310, 313(1) and (3) and 318(1) of the Finance Act 2004(b).

**Citation and commencement**

1. These Regulations may be cited as the Tax Avoidance Schemes (Information) (Amendment) Regulations 2011 and come into force on 6th April 2011.

**Amendment of the Tax Avoidance Schemes (Information) Regulations 2004**

2. The Tax Avoidance Schemes (Information) Regulations 2004(c) are amended as follows.

3.—(1) Amend regulation 2(d) (interpretation) as follows.

(2) After the definition of “the Arrangements Regulations” insert—

““the IHT Arrangements Regulations” means the Inheritance Tax Avoidance Schemes (Prescribed Descriptions of Arrangements) Regulations 2011(e);”.

(3) In the definition of “the prescribed taxes” after “income tax” insert “, inheritance tax”.

4.—(1) Amend regulation 3(f) (prescribed information in respect of notifiable proposals and arrangements) as follows.

(2) In paragraphs (1)(b), (2)(b), (3)(c) and (4)(b), after “Arrangements Regulations” insert “, the IHT Arrangements Regulations”.

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- (a) The functions of the Commissioners of Inland Revenue were transferred to the Commissioners for Her Majesty's Revenue and Customs by section 5(2) of the Commissioners for Revenue and Customs Act 2005 (c. 11). Section 50(1) of that Act provides that a reference to the Commissioners of Inland Revenue, however expressed, shall be taken as a reference to the Commissioners for Her Majesty's Revenue and Customs.
- (b) 2004 c. 12; sections 308(1) and (3), and 313(1) and (3) were amended by Schedule 38 to the Finance Act 2008 (c. 9). Section 318(1) is cited because of the meaning it ascribes to “prescribed”.
- (c) S.I. 2004/1864; relevant amending instruments are S.I. 2005/1869, 2006/1544, 2009/611 and 2010/410.
- (d) Regulation 2 was amended by regulation 3 of S.I. 2005/1869 and regulation 3 of S.I. 2006/1544.
- (e) S.I. 2011/170.
- (f) Regulation 3 was amended by regulation 4 of S.I. 2005/1869.

5.—(1) Amend regulation 8(a) (prescribed information under section 313: timing and manner of delivery) as follows.

(2) In paragraphs (2), (4), (12)(in both places) and (13)(b) for “(8)” substitute “(8A)”.

(3) After paragraph (8) insert—

“(8A) Subject to paragraphs (11A), (12) and (13) in the case of a person who—

(a) is a party to notifiable arrangements which are prescribed by the Inheritance Tax Avoidance Schemes (Prescribed Descriptions of Arrangements) Regulations 2011; and

(b) is required to make a return to HMRC under section 216 of the Inheritance Tax Act 1984(b) in respect of a transaction forming part of the notifiable arrangements, the prescribed information shall be notified to HMRC in the return under that section.”.

(4) After paragraph (11) insert—

“(11A) In the case of a person who—

(a) is a party to notifiable arrangements which are prescribed by the Inheritance Tax Avoidance Schemes (Prescribed Descriptions of Arrangements) Regulations 2011; and

(b) is not required to make a return to HMRC under section 216 of the Inheritance Tax Act 1984 in respect of a transaction forming part of the notifiable arrangements within a period of 12 months of the end of the month in which the first transaction forming part of the arrangements is entered into,

the prescribed information shall be provided separately to HMRC in such form and manner as they may specify.”.

(5) After paragraph (15)(b) insert—

“(ba) in the case of paragraph (11A), any time during the period of 12 months of the end of the month in which the first transaction forming part of the arrangement is entered into.”.

*Mike Eland*

*Steve Lamey*

31st January 2011

Two of the Commissioners for Her Majesty’s Revenue and Customs

### **EXPLANATORY NOTE**

*(This note is not part of the Regulations)*

These Regulations amend the Tax Avoidance Schemes (Information) Regulations 2004 (S.I. 2004/1864) (“the principal Regulations”) which prescribe the information to be provided to HM Revenue and Customs (HMRC) when a person is required to notify arrangements under Part 7 of the Finance Act 2004 (c. 12) and the time limits within which that information is to be provided.

The Inheritance Tax Avoidance Schemes (Prescribed Descriptions of Arrangements) Regulations 2011 (S.I. 2011/170) prescribe arrangements relating to inheritance tax which are required to be notified to HMRC. These Regulations amend the principal Regulations so as to prescribe the information which is to be notified in relation to inheritance tax arrangements and the time limits within which that information is to be provided.

Regulation 1 provides for citation and commencement.

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(a) Regulation 8 was substituted by regulation 8 of S.I. 2009/611 and amended by regulation 4 of S.I. 2010/410.

(b) 1984 c. 51. By virtue of section 100(1) and (2) of the Finance Act 1986 (c. 41), on and after 25th July 1986 the Capital Transfer Tax Act 1984 may be cited as the Inheritance Tax Act 1984, and any reference in that Act to capital transfer tax is to have effect as a reference to inheritance tax, except where the reference relates to a liability to tax arising before 25th July 1986. Section 216 was amended by paragraph 11 of Schedule 26 to the Finance Act 1985 (c. 54), paragraph 29 of Schedule 19 to the Finance Act 1986 (c. 41), paragraph 4 of Schedule 7 to the Finance (No. 2) Act 1987 (c. 51), section 105 of the Finance Act 1999 (c. 16), paragraph 7 of Schedule 22 to the Finance Act 2006 (c. 25), paragraph 24 of Schedule 19 to the Finance Act 2007 (c. 11) and paragraph 12 of Schedule 28 to the Finance Act 2008 (c. 9).

Regulation 2 introduces the amendments to the principal Regulations.

Regulations 3 and 4 amend regulations 3 and 4 of the principal Regulations.

Regulation 5 amends regulation 8 of the principal Regulations to prescribe the information that a party to notifiable inheritance tax arrangements must provide, the manner of notification and the time limits for provision of such information.

An Impact Assessment is available from the HMRC website at <http://www.hmrc.gov.uk/ria/index.htm#full>. It has been updated by a Tax Information and Impact Note which is annexed to the Explanatory Memorandum which is available alongside this instrument on [www.legislation.gov.uk](http://www.legislation.gov.uk).