

Contingencies affecting gifts or inheritances. CATA 1976 s20 29.—(1) Where, under a disposition, a person becomes beneficially entitled in possession to any benefit and, under the terms of the disposition, the entitlement, or any part of the entitlement, may cease on the happening of a contingency ), the taxable value of any taxable gift or taxable inheritance taken by that person on becoming so entitled to that benefit is ascertained as if no part of the entitlement were so to cease; but, in the event and to the extent that the entitlement so ceases, the tax payable by that person is, to that extent, adjusted (if, by so doing, a lesser amount of tax would be payable by such person) on the basis that such person had taken an interest in possession for a period certain which was equal to the actual duration of such person's beneficial entitlement in possession.

(2) Nothing in this section shall prejudice any charge for tax on the taking by such person of a substituted gift or inheritance on the happening of such a contingency.