

Payment of tax on certain assets by instalments. FA 1995 s164 55.—(1) In this section—

“agricultural property” has the meaning assigned to it by section 89;

“relevant business property” has the same meaning as it has in section 93, other than shares in or securities of a company (being shares or securities quoted on a recognised stock exchange) and without regard to sections 94 and 100 (4).

(2) Where the whole or part of the tax which is due and payable in respect of a taxable gift or taxable inheritance is attributable to either or both agricultural property and relevant business property—

(a) section 54 shall apply to that whole or part of the tax notwithstanding subsection (3) or (4) of that section but where all or any part of that agricultural property or relevant business property, or any property which directly or indirectly replaces such property, is sold or compulsorily acquired and, by virtue of subsection (4) of section 89 or section 101, that sale or compulsory acquisition causes the taxable value of such a taxable gift or taxable inheritance to be increased, or would cause such increase if subsection (2) of section 89 or section 92 applied, all unpaid instalments referable to the property sold or compulsorily acquired shall, unless the interest of the donee or successor is a limited interest, be paid on completion of that sale or compulsory acquisition and, if not so paid, shall be tax in arrear, and

(b) notwithstanding subsection (2) of section 51 the rate at which interest is payable on that whole or part of the tax is 0.75 per cent or such other rate (if any) as stands prescribed by the Minister for Finance by regulations, for each month or part of a month instead of at the rate specified in that section and that section shall apply as regards that whole or part of the tax as if the rate so payable were substituted for the rate specified in that section, but the rate at which interest is payable on any overdue instalment of that whole or part of the tax, or on such part of the tax as would represent any such overdue instalment if that whole or part of the tax were being paid by instalments, shall continue to be at the rate specified in section 51.

(3) For the purposes of this section reference to an overdue instalment in paragraph (b) of subsection (2) is a reference to an instalment which is overdue for the purposes of section 54 (as it applies to this section) or for the purposes of paragraph (a) of subsection (2).

(4) For the purposes of this section the value of a business or of an interest in a business shall be taken to be its net value ascertained in accordance with section 98.

(5) This section shall not apply in relation to an inheritance taken by a discretionary trust by virtue of section 15 (1) or section 20 (1).

(6) Every regulation made under this section shall be laid before Dáil Éireann as soon as may be after it is made and, if a resolution annulling the regulation is passed by Dáil Éireann within the next 21 days on which Dáil Éireann has sat after the regulation is laid before it, the regulation shall be annulled accordingly, but without prejudice to the validity of anything previously done under that regulation.