

PART 3 Valuation

Mode of valuing property. FA1978 s34(5) 18.— For the purposes of sections 30 and 33(1), the value of property conveyed or transferred by an instrument chargeable with duty in accordance with either of those sections shall be determined without regard to—

(a) any power (whether or not contained in the instrument) on the exercise of which the property, or any part of or any interest in, the property, may be revested in the person from whom it was conveyed or transferred or in any person on his or her behalf,

(b) any annuity or other periodic payment reserved out of the property or any part of it, or any life or other interest so reserved, being an interest which is subject to forfeiture, or

(c) any right of residence, support, maintenance, or other right of a similar nature which the property is subject to or charged with, except where such rights are reserved in favour of the transferor or the spouse of the transferor and in any such case regard shall be had to such rights only to the extent that their value does not exceed 10 per cent of the unencumbered value of the property,

but if on a claim made to the Commissioners not later than 6 years after the making or execution of the instrument it is shown to their satisfaction that any such power as is mentioned in paragraph (a) has been exercised in relation to the property and the property or any property representing it has been reconveyed or retransferred in the whole or in part in consequence of that exercise, the Commissioners shall repay the stamp duty paid by virtue of this section, in a case where the whole of such property has been so reconveyed or retransferred, so far as it exceeds the stamp duty which would have been payable apart from this section and, in any other case, so far as it exceeds the stamp duty which would have been payable if the instrument had operated to convey or transfer only such property as is not so reconveyed or retransferred.