

Cesser of liabilities. CATA 1976 s28 37.—(1) In this section, “appropriate part” has the meaning assigned to it by section 5 (5).

(2) The benefit of the cesser of—

(a) a liability within the meaning of section 28 (9), or

(b) any liability similar to that referred to in paragraph (a) to which the taking of a benefit which was a gift or inheritance was subject,

is deemed to be a gift or an inheritance, as the case may be, which is deemed—

(i) to the extent that the liability is charged on or secured by any property at the time of its cesser, to consist of the whole or the appropriate part, as the case may be, of that property, and

(ii) to the extent that the liability is not charged on or secured by any property at the time of its cesser, to consist of such sum as would, under section 5 (2)(b), be the sum the annual income of which would be equal to the annual value of the liability.

(3) For the purposes of sections 6 (1)(c), 6 (2)(d), 11 (1)(b) and 11 (2)(c), the sum referred to in subparagraph (ii) of subsection (2) is deemed not to be situate in the State at the date of the gift or at the date of the inheritance.