

Values agreed. FA 1986 s107 24.—(1) Where—

(a) under or in consequence of any disposition, a charge for tax arises by reason of section 20 on a chargeable date (in this section called the first chargeable date),

(b) an accountable person has furnished all the information necessary to enable the Commissioners to ascertain the market value of—

(i) real property, or

(ii) shares which are not dealt in on a stock exchange,

comprised in the taxable inheritance so taken on the valuation date of that taxable inheritance,

(c) pursuant to an application in writing to the Commissioners on that behalf, the market value of such property on that valuation date is agreed on between that person and the Commissioners,

(d) under or in consequence of the same disposition, a charge for tax arises by reason of section 20 on either or both of the 2 chargeable dates in the years next following the year in which the first chargeable date occurs (in this section called the subsequent chargeable dates), and

(e) the same property at subparagraph (i) or (ii) of paragraph (b) is comprised in the taxable inheritances so taken on the subsequent chargeable dates,

the value so agreed on is treated for the purposes of this Chapter as the market value of such property on that valuation date and on the valuation dates of the taxable inheritances so taken on the subsequent chargeable dates.

(2) Notwithstanding subsection (1), the market value so agreed is not binding—

(a) in any case where there is failure to disclose material facts in relation to any part of the property comprised in the taxable inheritances taken on the first chargeable date or on the subsequent chargeable dates, or

(b) where, at any time after the first chargeable date and before the third of those chargeable dates—

(i) in the case of real property, there is any alteration in the tenure under which the property is held or let, or

(ii) in the case of shares, there is any alteration in the capital or the ownership of the capital of the company concerned or of the rights of the shareholders inter se,

or

(c) where, at any time after the first chargeable date and before the third of those chargeable dates—

(i) in the case of real property, there is any change whatever, whether affecting that or any other property, which would materially increase or decrease the market value over and above any increase or decrease which might normally be expected if such a change had not occurred, or

(ii) in the case of shares, there has been any material change in the assets of the company or in their market value over and above any such change which might normally be expected,

and in such cases the market value of the real property, or of the shares, may be ascertained again by the Commissioners for each of the relevant valuation dates, but in the case of any change referred to in paragraph (c), the market value may be ascertained again by the Commissioners only at the request of the person primarily accountable for the payment of the tax arising by reason of section 20 on that relevant valuation date.

(3) Any agreement made under this section shall be binding only on the persons who as such are accountable for the payment of the tax arising by reason of section 20 on the first chargeable date and on the subsequent chargeable dates.