

Application of this Act. FA 1986 s104 (a) to (e) and (g) 21.—In relation to a charge for tax arising by reason of section 20—

(a) a reference in section 27 to a company controlled by the successor and the definition in that section of “group of shares” is construed as if (for the purpose of that reference) the list of persons contained in subsection (3) of that section and (for the purpose of that definition) the list of persons contained in that definition included the following, that is, the trustees of the discretionary trust, the living objects of the discretionary trust, the relatives of those objects, nominees of those trustees or of those objects or of the relatives of those objects, and the trustees of a settlement whose objects include the living objects of the discretionary trust or relatives of those living objects;

(b) (i) subject to the provisions of subparagraph (ii), the valuation date of the taxable inheritance is the relevant chargeable date;

(ii) where—

(I) a charge for tax arises on a particular date by reason of section 15, or that provision of the repealed enactments which corresponds with section 15, giving rise to a taxable inheritance (in this subparagraph called the first taxable inheritance),

(II) on a later date, a charge for tax arises under or in consequence of the same disposition by reason of section 20 giving rise to a taxable inheritance (in this subparagraph called the second taxable inheritance) comprising the same property or property representing that property, and

(III) the valuation date of the first taxable inheritance is a date after the chargeable date of the second taxable inheritance,

the valuation date of the second taxable inheritance is the same date as the valuation date of the first taxable inheritance;

(c) a person who is a trustee of the discretionary trust concerned for the time being at the date of the inheritance or at any date subsequent to that date is a person primarily accountable for the payment of the tax;

(d) an object of the discretionary trust concerned to whom or for whose benefit any of the property subject to the trust is applied or appointed is also accountable for the payment of tax the charge in respect of which has arisen prior to the date of the application or appointment of the property to that object or for that object's benefit, and this Act shall apply, in its application to that charge for tax, as if that object of the discretionary trust were a person referred to in section 45 (2);

(e) any person who is primarily accountable for the payment of tax by virtue of paragraph (c) shall, within 3 months after the valuation date—

(i) deliver to the Commissioners a full and true return—

(I) of every inheritance in respect of which that person is so primarily accountable,

(II) of all the property comprised in such inheritance, and

(III) of an estimate of the market value of such property;

(ii) notwithstanding any other provision of this Act, make an assessment of such amount of tax as, to the best of that person's knowledge, information and belief, ought to be charged, levied and paid on that valuation date; and

(iii) pay the amount of such tax to the Collector;

and

(f) section 30 , section 45 (1), section 46 (2), (3), (4) and (5) and sections 50 , 54 , 56 and 81 and Schedule 2 shall not apply.