

Dealings with future interests. CATA 1976 s23 32.—(1) In subsection (2), “benefit” includes the benefit of the cesser of a liability referred to in section 37.

(2) Where a benefit, to which a person (in this section referred to as the remainderman) is entitled under a disposition, devolves, or is disposed of, either in whole or in part, before it has become an interest in possession so that, at the time when the benefit comes into possession, it is taken, either in whole or in part, by a person (in this section referred to as the transferee) other than the remainderman to whom it was limited by the disposition, then tax is payable, in respect of a gift or inheritance, as the case may be, of the remainderman in all respects as if, at that time, the remainderman had become beneficially entitled in possession to the full extent of the benefit limited to that remainderman under the disposition, and the transferee is the person primarily accountable for the payment of tax to the extent that the benefit is taken by that transferee.

(3) Subsection (2) shall not prejudice any charge for tax in respect of any gift or inheritance affecting the same property or any part of it under any other disposition.