STATUTORY INSTRUMENTS

1985 No. 429

CAPITAL TRANSFER TAX

The Capital Transfer Tax (Indexation) Order 1985

Made - - - - 19*th March* 1985

The Treasury, in pursuance of section 8(4) of the Capital Transfer Tax Act 1984 (**a**), hereby make the following Order:—

1. This Order may be cited as the Capital Transfer Tax (Indexation) Order 1985.

2. The amounts which, unless Parliament otherwise determines, shall be treated by virtue of section 8 of the Capital Transfer Tax Act 1984 as specified in the Tables in Schedule 1 to that Act in relation to chargeable transfers on or after 6th April 1985 are as follows:—

FIRST TABLE

Portion of value		Rate of tax
Lower limit £	Upper limit £	Per cent
0	67,000	Nil
67,000	89,000	30
89,000	122,000	35
122,000	155,000	40
155,000	194,000	45
194,000	243,000	50
243,000	299,000	55
299,000	—	60

SECOND TABLE

Portion of value		Rate of tax
Lower limit £	Upper limit £	Per cent
0	67,000	Nil
67,000	89,000	15
89,000	122,000	17½
122,000	155,000	20
155,000	194,000	22½
194,000	243,000	25
243,000	299,000	27½
299,000	—	30

(**a**) 1984 c.51.

A. G. Hamilton,
Donald Thompson,
Two of the Lords Commissioners
of Her Majesty's Treasury.

19th March 1985.

EXPLANATORY NOTE

(This Note is not part of the Order.)

By this Order made under the provisions of section 8 of the Capital Transfer Tax Act 1984 new Tables of rate bands and rates are substituted in Schedule 1 to that Act for the previous Tables which were introduced by section 101 of the Finance Act 1984 (c.43). The figures in the first and second columns of the Tables are the amounts specified in the previous Tables increased by the amount of the percentage increase (4.580%) in the retail prices index for December 1984 over that for December 1983. The figures are rounded upward to the nearest £1,000 in accordance with section 8(2). The "retail prices index" is defined in section 8(3) as "the general index of retail prices (for all items) published by the Department of Employment". The retail prices index for December 1983 is 342.8 and for December 1984 358.5 (based on January 1974 as 100). (Table 6.4 of the Department of Employment Gazette, January 1985).

The new Tables will apply in relation to chargeable transfers on or after 6th April 1985 unless Parliament otherwise determines.

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