STATUTORY INSTRUMENTS

1982 No. 1584

TAXES

The Estate Duty (Interest on Unpaid Duty) Order 1982

Made - - - - - - - - - -	*5th November* 1982
Laid before the House of Commons	*9th November* 1982
Coming into Operation	*1st December* 1982

The Treasury, in exercise of the powers conferred on them by section 30 of the Finance Act 1970**(a)**, hereby make the following Order:—

1. This Order may be cited as the Estate Duty (Interest on Unpaid Duty) Order 1982 and shall come into operation on 1st December 1982.

2. The rate of interest payable under the following enactments, namely—

(*a*) section 18 of the Finance Act 1896**(b)**;

(*b*) section 61(5) of the Finance (1909–10) Act 1910**(c)** as amended by section 9 of the Finance Act 1912**(d)**; and

(*c*) section 17(3) of the Law of Property Act 1925**(e)** and section 73(6) of the Land Registration Act 1925**(f)**,

shall, as regards interest accruing on or after 1st December 1982, be 6 per cent., instead of 9 per cent., per annum.

3. Section 8(9) of the Finance Act 1894**(g)** shall, as regards interest accruing on or after 1st December 1982, have effect with the substitution of the word "six" for the word "nine".

John Selwyn Gummer,
Alastair Goodlad,
Two of the Lords Commissioners
of Her Majesty's Treasury.

5th November 1982.

(a) 1970 c. 24.
(b) 1896 c. 28.
(c) 1910 c. 8.
(d) 1912 c. 8.
(e) 1925 c. 20.
(f) 1925 c. 21.
(g) 1894 c. 30.

EXPLANATORY NOTE

(This Note is not part of the Order.)

Estate Duty is chargeable in relation to deaths before 13th March 1975; it was replaced for deaths on or after that date by capital transfer tax. Article 2 of this Order provides that interest on unpaid estate duty will run at 6 per cent. (instead of at the previous rate of 9 per cent. as imposed by S.I. 1979/1690) under the various provisions which impose a fixed rate of interest. By Article 3 the limit on the discretionary rate of interest which may be charged where payment of estate duty is postponed on grounds of hardship is correspondingly altered by substituting 6 per cent. for 9 per cent. The effect of this Order in conjunction with section 48(1) of the Finance Act 1975 (c. 7) is that from 1st December 1982 interest will also run at 6 per cent. when overpaid estate duty is repaid.

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