Consolidated Fund, and be available in any manner in which such fund is available.

3. This Act may be cited as the Consolidated Fund (No. 3) Act, 1894. Short title.

CHAPTER 30.

An Act to grant certain Duties of Customs and Inland Revenue, to alter other Duties, and to amend the Law relating to Customs and Inland Revenue, and to make other provision for the financial arrangements of the year. [31st July 1894.]

Most Gracious Sovereign,

WE, Your Majesty's most dutiful and loyal subjects the Commons of the United Kingdom of Great Britain and Ireland in Parliament assembled, towards raising the necessary supplies to defray Your Majesty's public expenses, and making an addition to the public revenue, have freely and voluntarily resolved to give and grant unto Your Majesty the several duties herein-after mentioned; and do therefore most humbly beseech Your Majesty that it may be enacted, and be it enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:

PART I.

ESTATE DUTY.

Grant of Estate Duty.

1. In the case of every person dying after the commencement of this Part of this Act, there shall, save as herein-after expressly provided, be levied and paid, upon the principal value ascertained as herein-after provided of all property, real or personal, settled or not settled, which passes on the death of such person a duty, called "Estate duty," at the graduated rates herein-after mentioned, and the existing duties mentioned in the First Schedule to this Act shall not be levied in respect of property chargeable with such Estate duty. Grant of Estate duty.

2.—(1.) Property passing on the death of the deceased shall be deemed to include the property following, that is to say:— What property is deemed to pass.

(*a.*) Property of which the deceased was at the time of his death competent to dispose;

(*b.*) Property in which the deceased or any other person had an interest ceasing on the death of the deceased, to the extent to which a benefit accrues or arises by the cesser of such

interest; but exclusive of property the interest in which of the deceased or other person was only an interest as holder of an office, or recipient of the benefits of a charity, or as a corporation sole;

(*c.*) Property which would be required on the death of the deceased to be included in an account under section thirty-eight of the Customs and Inland Revenue Act, 1881, as amended by section eleven of the Customs and Inland Revenue Act, 1889, if those sections were herein enacted and extended to real property as well as personal property, and the words "voluntary" and "voluntarily" and a reference to a "volunteer" were omitted therefrom; and

44 & 45 Vict. c. 12. 52 & 53 Vict. c. 7.

(*d.*) Any annuity or other interest purchased or provided by the deceased, either by himself alone or in concert or by arrangement with any other person, to the extent of the beneficial interest accruing or arising by survivorship or otherwise on the death of the deceased.

(2.) Property passing on the death of the deceased when situate out of the United Kingdom shall be included only, if, under the law in force before the passing of this Act, legacy or succession duty is payable in respect thereof, or would be so payable but for the relationship of the person to whom it passes.

(3.) Property passing on the death of the deceased shall not be deemed to include property held by the deceased as trustee for another person, under a disposition not made by the deceased, or under a disposition made by the deceased more than twelve months before his death where possession and enjoyment of the property was bonâ fide assumed by the beneficiary immediately upon the creation of the trust and thenceforward retained to the entire exclusion of the deceased or of any benefit to him by contract or otherwise.

Exception for transactions for money consideration.

3.—(1.) Estate duty shall not be payable in respect of property passing on the death of the deceased by reason only of a bonâ fide purchase from the person under whose disposition the property passes, nor in respect of the falling into possession of the reversion on any lease for lives, nor in respect of the determination of any annuity for lives, where such purchase was made, or such lease or annuity granted, for full consideration in money or money's worth paid to the vendor or grantor for his own use or benefit, or in the case of a lease for the use or benefit of any person for whom the grantor was a trustee.

(2.) Where any such purchase was made, or lease or annuity granted, for partial consideration in money or money's worth paid to the vendor or grantor for his own use or benefit, or in the case of a lease for the use or benefit of any person for whom the grantor was a trustee, the value of the consideration shall be allowed as a deduction from the value of the property for the purpose of Estate duty.

Aggregation of property to form one estate for purpose of duty.

4. For determining the rate of Estate duty to be paid on any property passing on the death of the deceased, all property so passing in respect of which Estate duty is leviable shall be aggregated

so as to form one estate, and the duty shall be levied at the proper graduated rate on the principal value thereof:

Provided that any property so passing, in which the deceased never had an interest, or which under a disposition not made by the deceased passes immediately on the death of the deceased to some person other than the wife or husband or a lineal ancestor or lineal descendant of the deceased, shall not be aggregated with any other property but shall be an estate by itself, and the Estate duty shall be levied at the proper graduated rate on the principal value thereof; but if any benefit under a disposition not made by the deceased is reserved or given to the wife or husband or a lineal ancestor or lineal descendant of the deceased, such benefit shall be aggregated with property of the deceased for the purpose of determining the rate of Estate duty.

Settled property.

5.—(1.) Where property in respect of which Estate duty is leviable, is settled by the will of the deceased, or having been settled by some other disposition passes under that disposition on the death of the deceased to some person not competent to dispose of the property,—

(*a*) a further Estate duty (called settlement Estate duty) on the principal value of the settled property shall be levied at the rate herein-after specified, except where the only life interest in the property after the death of the deceased is that of a wife or husband of the deceased; but

(*b*) during the continuance of the settlement the settlement Estate duty shall not be payable more than once.

(2.) If Estate duty has already been paid in respect of any settled property since the date of the settlement, the Estate duty shall not, nor shall any of the duties mentioned in the fifth paragraph of the First Schedule to this Act, be payable in respect thereof, until the death of a person who was at the time of his death or had been at any time during the continuance of the settlement competent to dispose of such property.

(3.) In the case of settled property, where the interest of any person under the settlement fails or determines by reason of his death before it becomes an interest in possession, and subsequent limitations under the settlement continue to subsist, the property shall not be deemed to pass on his death.

(4.) Any person paying the settlement Estate duty payable under this section upon property comprised in a settlement, may deduct the amount of the ad valorem stamp duty (if any) charged on the settlement in respect of that property.

(5.) Where any lands or chattels are so settled, whether by Act of Parliament or royal grant, that no one of the persons successively in possession thereof is capable of alienating the same, whether his interest is in law a tenancy for life or a tenancy in tail, the provisions of this Act with respect to settled property shall not apply, and the property passing on the death of any person in possession of the lands and chattels shall be the interest of his successor in the lands and chattels, and such interest shall be valued, for the purpose

of Estate duty, in like manner as for the purpose of Succession duty.

Collection and Recovery of Duty and Value of Property.

Collection and recovery of Estate duty.

6.—(1.) Estate duty shall be a stamp duty, collected and recovered as herein-after mentioned.

(2.) The executor of the deceased shall pay the Estate duty in respect of all personal property (wheresoever situate) of which the deceased was competent to dispose at his death, on delivering the Inland Revenue affidavit, and may pay in like manner the Estate duty in respect of any other property passing on such death, which by virtue of any testamentary disposition of the deceased is under the control of the executor, or, in the case of property not under his control, if the persons accountable for the duty in respect thereof request him to make such payment.

(3.) Where the executor does not know the amount or value of any property which has passed on the death, he may state in the Inland Revenue affidavit that such property exists, but he does not know the amount or value thereof, and that he undertakes, as soon as the amount and value are ascertained, to bring in an account thereof, and to pay both the duty for which he is or may be liable, and any further duty payable by reason thereof for which he is or may be liable in respect of the other property mentioned in the affidavit.

(4.) Estate duty, so far as not paid by the executor, shall be collected upon an account setting forth the particulars of the property, and delivered to the Commissioners within six months after the death by the person accountable for the duty, or within such further time as the Commissioners may allow.

(5.) Every estate shall include all income accrued upon the property included therein down to and outstanding at the date of the death of the deceased.

(6.) Interest at the rate of three per cent. per annum on the Estate duty shall be paid from the date of the death up to the date of the delivery of the Inland Revenue affidavit or account, or the expiration of six months after the death, whichever first happens, and shall form part of the Estate duty.

(7.) The duty which is to be collected upon an Inland Revenue affidavit or account shall be due on the delivery thereof, or on the expiration of six months from the death, whichever first happens.

(8.) Provided that the duty due upon an account of real property may, at the option of the person delivering the account, be paid by eight equal yearly instalments, or sixteen half-yearly instalments, with interest at the rate of three per cent. per annum from the date at which the first instalment is due, less income tax, and the first instalment shall be due at the expiration of twelve months from the death, and the interest on the unpaid portion of the duty shall be added to each instalment and paid accordingly; but the duty for the time being unpaid, with such interest to the date of payment, may be paid at any time, and in case the

property is sold, shall be paid on completion of the sale, and if not so paid shall be duty in arrear.

Value of property.

7.—(1.) In determining the value of an estate for the purpose of Estate duty allowance shall be made for reasonable funeral expenses and for debts and incumbrances; but an allowance shall not be made—

(*a*) for debts incurred by the deceased, or incumbrances created by a disposition made by the deceased, unless such debts or incumbrances were incurred or created bonâ fide for full consideration in money or money's worth wholly for the deceased's own use and benefit and take effect out of his interest, nor

(*b*) for any debt in respect whereof there is a right to reimbursement from any other estate or person, unless such reimbursement cannot be obtained, nor

(*c*) more than once for the same debt or incumbrance charged upon different portions of the estate;

and any debt or incumbrance for which an allowance is made shall be deducted from the value of the land or other subjects of property liable thereto.

(2.) An allowance shall not be made in the first instance for debts due from the deceased to persons resident out of the United Kingdom, (unless contracted to be paid in the United Kingdom, or charged on property situate within the United Kingdom), except out of the value of any personal property of the deceased situate out of the United Kingdom in respect of which Estate duty is paid; and there shall be no repayment of Estate duty in respect of any such debts, except to the extent to which it is shown to the satisfaction of the Commissioners, that the personal property of the deceased situate in the foreign country or British possession in which the person to whom such debts are due resides, is insufficient for their payment.

(3.) Where the Commissioners are satisfied that any additional expense in administering or in realising property has been incurred by reason of the property being situate out of the United Kingdom, they may make an allowance from the value of the property on account of such expense not exceeding in any case five per cent. on the value of the property.

(4.) Where any property passing on the death of the deceased is situate in a foreign country, and the Commissioners are satisfied that by reason of such death any duty is payable in that foreign country in respect of that property, they shall make an allowance of the amount of that duty from the value of the property.

(5.) The principal value of any property shall be estimated to be the price which, in the opinion of the Commissioners, such property would fetch if sold in the open market at the time of the death of the deceased;

Provided that, in the case of any agricultural property, where no part of the principal value is due to the expectation of an increased income from such property, the principal value shall not exceed twenty-five times the annual value as assessed under Schedule A. of the Income Tax Acts, after making such deductions as have not

16 & 17 Vict. c. 51.

been allowed in that assessment and are allowed under the Succession Duty Act, 1853, and making a deduction for expenses of management not exceeding five per cent. of the annual value so assessed.

(6.) Where an estate includes an interest in expectancy, Estate duty in respect of that interest shall be paid, at the option of the person accountable for the duty, either with the duty in respect of the rest of the estate or when the interest falls into possession, and if the duty is not paid with the Estate duty in respect of the rest of the estate, then—

(*a*) for the purpose of determining the rate of Estate duty in respect of the rest of the estate the value of the interest shall be its value at the date of the death of the deceased; and

(*b*) the rate of Estate duty in respect of the interest when it falls into possession shall be calculated according to its value when it falls into possession, together with the value of the rest of the estate as previously ascertained.

(7.) The value of the benefit accruing or arising from the cesser of an interest ceasing on the death of the deceased shall—

(*a*) if the interest extended to the whole income of the property, be the principal value of that property; and

(*b*) if the interest extended to less than the whole income of the property, be the principal value of an addition to the property equal to the income to which the interest extended.

(8.) Subject to the provisions of this Act, the value of any property for the purpose of Estate duty shall be ascertained by the Commissioners in such manner and by such means as they think fit, and, if they authorise a person to inspect any property and report to them the value thereof for the purposes of this Act, the person having the custody or possession of that property shall permit the person so authorised to inspect it at such reasonable times as the Commissioners consider necessary.

(9.) Where the Commissioners require a valuation to be made by a person named by them, the reasonable costs of such valuation shall be defrayed by the Commissioners.

(10.) Property passing on any death shall not be aggregated more than once, nor shall Estate duty in respect thereof be more than once levied on the same death.

Supplemental provisions as to collection, recovery, and repayment of and exemption from Estate duty.

8.—(1.) The existing law and practice relating to any of the duties now leviable on or with reference to death shall, subject to the provisions of this Act and so far as the same are applicable, apply for the purposes of the collection, recovery, and repayment of Estate duty, and for the exemption of the property of common seamen marines or soldiers who are slain or die in the service of Her Majesty, and for the purpose of payment of sums under one hundred pounds without requiring representation, as if such law and practice were in terms made applicable to this Part of this Act.

52 & 53 Vict. c. 7. 54 & 55 Vict. c. 66.

(2.) Sections twelve to fourteen of the Customs and Inland Revenue Act, 1889, and section forty-seven of the Local Registration of Title (Ireland) Act, 1891, shall apply as if Estate duty were

therein mentioned as well as Succession duty, and as if an account were not settled within the meaning of any of the above sections until the time for the payment of the duty on such account has arrived.

(3.) The executor of the deceased shall, to the best of his knowledge and belief, specify in appropriate accounts annexed to the Inland Revenue affidavit all the property in respect of which Estate duty is payable upon the death of the deceased, and shall be accountable for the Estate duty in respect of all personal property wheresoever situate of which the deceased was competent to dispose at his death, but shall not be liable for any duty in excess of the assets which he has received as executor, or might but for his own neglect or default have received.

(4.) Where property passes on the death of the deceased, and his executor is not accountable for the Estate duty in respect of such property, every person to whom any property so passes for any beneficial interest in possession, and also, to the extent of the property actually received or disposed of by him, every trustee, guardian, committee, or other person in whom any interest in the property so passing or the management thereof is at any time vested, and every person in whom the same is vested in possession by alienation or other derivative title shall be accountable for the Estate duty on the property, and shall, within the time required by this Act or such later time as the Commissioners allow, deliver to the Commissioners and verify an account, to the best of his knowledge and belief, of the property: Provided that nothing in this section contained shall render a person accountable for duty who acts merely as agent or bailiff for another person in the management of property.

(5.) Every person accountable for Estate duty, and every person whom the Commissioners believe to have taken possession of or administered any part of the estate in respect of which duty is leviable on the death of the deceased, or of the income of any part of such estate, shall, to the best of his knowledge and belief, if required by the Commissioners, deliver to them and verify a statement of such particulars together with such evidence as they require relating to any property which they have reason to believe to form part of an estate in respect of which Estate duty is leviable on the death of the deceased.

(6.) A person who wilfully fails to comply with any of the foregoing provisions of this section shall be liable to pay one hundred pounds, or a sum equal to double the amount of the Estate duty, if any, remaining unpaid for which he is accountable, according as the Commissioners elect: Provided that the Commissioners, or in any proceeding for the recovery of such penalty the Court, shall have power to reduce any such penalty.

(7.) Estate duty shall, in the first instance, be calculated at the appropriate rate according to the value of the estate as set forth in the Inland Revenue affidavit or account delivered, but if afterwards it appears that for any reason too little duty has been paid, the additional duty shall, unless a certificate of discharge has

been delivered under this Act, be payable, and be treated as duty in arrear.

(8.) The Commissioners on application from a person accountable for the duty on any property forming part of an estate shall, where they consider that it can conveniently be done, certify the amount of the valuation accepted by them for any class or description of property forming part of such estate.

(9.) Where the Commissioners are satisfied that the Estate duty leviable in respect of any property cannot without excessive sacrifice be raised at once, they may allow payment to be postponed for such period, to such extent, and on payment of such interest not exceeding four per cent. or any higher interest yielded by the property, and on such terms, as the Commissioners think fit.

(10.) Interest on arrears of Estate duty shall be paid as if they were arrears of legacy duty.

(11.) If after the expiration of twenty years from a death upon which Estate duty became leviable any such duty remains unpaid, the Commissioners may, if they think fit, on the application of any person accountable or liable for such duty or interested in the property, remit the payment of such duty or any part thereof or any interest thereon.

(12.) Where it is proved to the satisfaction of the Commissioners that too much Estate duty has been paid, the excess shall be repaid by them, and in cases where the over-payment was due to over-valuation by the Commissioners, with interest at three per cent. per annum.

(13.) Where any proceeding for the recovery of Estate duty in respect of any property is instituted, the High Court shall have jurisdiction to appoint a receiver of the property and the rents and profits thereof, and to order a sale of the property.

(14.) All affidavits, accounts, certificates, statements, and forms used for the purpose of this Part of this Act shall be in such form, and contain such particulars, as may be prescribed, and if so required by the Commissioners shall be in duplicate, and accounts and statements shall be delivered and verified on oath and by production of books and documents in the manner prescribed, and any person who wilfully fails to comply with the provisions of this enactment shall be liable to the penalty above in this section mentioned.

(15.) No charge shall be made for any certificate given by the Commissioners under this Act.

(16.) The Estate duty may be collected by means of stamps or such other means as the Commissioners prescribe.

(17.) The form of certificate required to be given by the proper officer of the court under section thirty of the Customs and Inland Revenue Act, 1881, may be varied by a rule of court in such manner as may appear necessary for carrying into effect this Act.

44 & 45 Vict. c. 12.

(18.) Nothing in this section shall render liable to or accountable for duty a bonâ fide purchaser for valuable consideration without notice.

Charge of Estate duty on property, and facilities for raising it.

9.—(1.) A rateable part of the Estate duty on an estate, in proportion to the value of any property which does not pass to the executor as such, shall be a first charge on the property in respect of which duty is leviable; provided that the property shall not be so chargeable as against a bonâ fide purchaser thereof for valuable consideration without notice.

(2.) On an application submitting in the prescribed form the description of the lands or other subjects of property (whether hereditaments, stocks, funds, shares, or securities), and of the debts and incumbrances allowed by the Commissioners in assessing the value of the property for the purposes of Estate duty, the Commissioners shall grant a certificate of the Estate duty paid in respect of the property, and specify the debts and incumbrances so allowed, as well as the lands or other subjects of property.

(3.) Subject to any repayment of Estate duty arising from want of title to the land or other subjects of property, or from the existence of any debt or incumbrance thereon for which under this Act an allowance ought to have been but has not been made, or from any other cause, the certificate of the Commissioners shall be conclusive evidence that the amount of duty named therein is a first charge on the lands or other subjects of property after the debts and incumbrances allowed as aforesaid: Provided that any such repayment of duty by the Commissioners shall be made to the person producing to them the said certificate.

(4.) If the rateable part of the Estate duty in respect of any property is paid by the executor, it shall where occasion requires be repaid to him by the trustees or owners of the property, but if the duty is in respect of real property, it may, unless otherwise agreed upon, be repaid by the same instalments and with the same interest as are in this Act mentioned.

(5.) A person authorised or required to pay the Estate duty in respect of any property shall, for the purpose of paying the duty, or raising the amount of the duty when already paid, have power, whether the property is or is not vested in him, to raise the amount of such duty and any interest and expenses properly paid or incurred by him in respect thereof, by the sale or mortgage of or a terminable charge on that property or any part thereof.

(6.) A person having a limited interest in any property, who pays the Estate duty in respect of that property, shall be entitled to the like charge, as if the Estate duty in respect of that property had been raised by means of a mortgage to him.

(7.) Any money arising from the sale of property comprised in a settlement, or held upon trust to lay out upon the trusts of a settlement, and capital money arising under the Settled Land Act, 1882, may be expended in paying any Estate duty in respect of property comprised in the settlement and held upon the same trusts.

45 & 46 Vict. c. 38.

Appeal from Commissioners.

10.—(1.) Any person aggrieved by the decision of the Commissioners with respect to the repayment of any excess of duty paid, or by the amount of duty claimed by the Commissioners, whether on the ground of the value of any property or the rate

charged or otherwise, may, on payment of, or giving security as herein-after mentioned for, the duty claimed by the Commissioners or such portion of it as is then payable by him, appeal to the High Court within the time and in the manner and on the conditions directed by rules of Court, and the amount of duty shall be determined by the High Court, and if the duty as determined is less than that paid to the Commissioners the excess shall be repaid.

(2.) No appeal shall be allowed from any order, direction, determination, or decision of the High Court in any appeal under this section except with the leave of the High Court or Court of Appeal.

(3.) The costs of the appeal shall be in the discretion of the Court, and the Court, where it appears to the Court just, may order the Commissioners to pay on any excess of duty repaid by them interest at the rate of three per cent. per annum for such period as appears to the Court just.

(4.) Provided that the High Court, if satisfied that it would impose hardship to require the appellant, as a condition of an appeal, to pay the whole or, as the case may be, any part of the duty claimed by the Commissioners or of such portion of it as is then payable by him, may allow an appeal to be brought on payment of no duty, or of such part only of the duty as to the Court seems reasonable, and on security to the satisfaction of the Court being given for the duty, or so much of the duty as is not so paid, but in such case the Court may order interest at the rate of three per cent. per annum to be paid on the unpaid duty so far as it becomes payable under the decision of the Court.

(5.) Where the value as alleged by the Commissioners of the property in respect of which the dispute arises does not exceed ten thousand pounds, the appeal under this section may be to the county court for the county or place in which the appellant resides or the property is situate, and this section shall for the purpose of the appeal apply as if such county court were the High Court.

(6.) The county council of every county or county borough in Great Britain, shall within twelve months after the commencement of this Act, and may thereafter from time to time, appoint a sufficient number of qualified persons to act as valuers for the purposes of this Act in their respective counties, and shall fix a scale of charges for the remuneration of such persons, and the Court may refer any question of disputed value under this section to the arbitration of any person so appointed for the county in which the appellant resides or the property is situate; and the costs of any such arbitration shall be part of the costs of the appeal.

Discharge from and Apportionment of Duty.

Release of persons paying Estate duty.

11.—(1.) The Commissioners on being satisfied that the full Estate duty has been or will be paid in respect of an estate or

any part thereof shall, if required by the person accounting for the duty, give a certificate to that effect, which shall discharge from any further claim for Estate duty the property shown by the certificate to form the estate or part thereof as the case may be.

(2.) Where a person accountable for the Estate duty in respect of any property passing on a death applies after the lapse of two years from such death to the Commissioners, and delivers to them and verifies a full statement to the best of his knowledge and belief of all property passing on such death and the several persons entitled thereto, the Commissioners may determine the rate of the Estate duty in respect of the property for which the applicant is accountable, and on payment of the duty at that rate, that property and the applicant so far as regards that property shall be discharged from any further claim for Estate duty, and the Commissioners shall give a certificate of such discharge.

(3.) A certificate of the Commissioners under this section shall not discharge any person or property from Estate duty in case of fraud or failure to disclose material facts, and shall not affect the rate of duty payable in respect of any property afterwards shown to have passed on the death, and the duty in respect of such property shall be at such rate as would be payable if the value thereof were added to the value of the property in respect of which duty has been already accounted for;

(4.) Provided nevertheless that a certificate purporting to be a discharge of the whole Estate duty payable in respect of any property included in the certificate shall exonerate a bonâ fide purchaser for valuable consideration without notice from the duty notwithstanding any such fraud or failure.

Commutation of duty on interest in expectancy.

12. The Commissioners in their discretion, upon application by a person entitled to an interest in expectancy, may commute the Estate duty which would or might, but for the commutation, become payable in respect of such interest for a certain sum to be presently paid, and for determining that sum shall cause a present value to be set upon such duty, regard being had to the contingencies affecting the liability to and rate and amount of such duty, and interest being reckoned at three per cent.; and on the receipt of such sum they shall give a certificate of discharge accordingly.

Powers to accept composition for death duties.

13.—(1.) Where, by reason of the number of deaths on which property has passed or of the complicated nature of the interests of different persons in property which has passed on death, or from any other cause, it is difficult to ascertain exactly the amount of death duties or any of them payable in respect of any property or any interest therein, or so to ascertain the same without undue expense in proportion to the value of the property or interest, the Commissioners on the application of any person accountable for any duty thereon, and upon his giving to them all the information in his power respecting the amount of the property and

the several interests therein, and other circumstances of the case, may by way of composition for all or any of the death duties payable in respect of the property, or interest, and the various interests therein, or any of them, assess such sum on the value of the property, or interest, as having regard to the circumstances appears proper, and may accept payment of the sum so assessed, in full discharge of all claims for death duties in respect of such property or interest, and shall give a certificate of discharge accordingly;

(2.) Provided that the certificate shall not discharge any person from any duty in case of fraud or failure to disclose material facts.

(3.) In this section the expression "death duties" means the Estate duty under this Act, the duties mentioned in the First Schedule to this Act and the legacy and succession duties, and the duty payable on any representation or inventory under any Act in force before the Customs and Inland Revenue Act, 1881.

44 & 45 Vict. c. 12.

Apportionment of duty.

14.—(1.) In the case of property which does not pass to the executor as such, an amount equal to the proper rateable part of the Estate duty may be recovered by the person, who being authorised or required to pay the Estate duty in respect of any property has paid such duty, from the person entitled to any sum charged on such property, (whether as capital or as an annuity or otherwise,) under a disposition not containing any express provision to the contrary.

(2.) Any dispute as to the proportion of Estate duty to be borne by any property or person, may be determined upon application by any person interested in manner directed by Rules of Court, either by the High Court, or, where the amount in dispute is less than fifty pounds, by a county court for the county or place in which the person recovering the same resides, or the property in respect of which the duty is paid is situate.

(3.) Any person from whom a rateable part of Estate duty can be recovered under this section shall be bound by the accounts and valuations as settled between the person entitled to recover the same and the Commissioners.

Exemptions from Estate duty.

15.—(1.) Estate duty shall not be payable in respect of a single annuity not exceeding twenty-five pounds purchased or provided by the deceased, either by himself alone or in concert or arrangement with any other person, for the life of himself and of some other person and the survivor of them, or to arise on his own death in favour of some other person; and if in any case there is more than one such annuity, the annuity first granted shall be alone entitled to the exemption under this section.

(2.) It shall be lawful for the Treasury to remit the Estate duty, or any other duty leviable on or with reference to death, in respect of any such pictures, prints, books, manuscripts, works of art or scientific collections, as appear to the Treasury to be of national, scientific, or historic interest, and to be given or bequeathed for national purposes, or to any university, or to any county council or

municipal corporation, and no property the duty in respect of which is so remitted shall be aggregated with any other property for the purpose of fixing the rate of Estate duty.

(3.) Estate duty shall not be payable in respect of any pension or annuity payable by the Government of British India to the widow or child of any deceased officer of such Government, notwithstanding that the deceased contributed during his lifetime to any fund out of which such pension or annuity is paid.

(4.) Estate duty shall not be payable in respect of any advowson or church patronage which would have been free from succession duty under section twenty-four of the Succession Duty Act, 1853. 16 & 17 Vict. c. 51.

Small Estates.

Provision for estates not exceeding 1,000*l.* 44 & 45 Vict. c. 12.

16.—(1.) The provisions of sections thirty-three, thirty-five, and thirty-six of the Customs and Inland Revenue Act, 1881, (relating to the obtaining of representation to the deceased where the gross value of his personal estate does not exceed three hundred pounds,) shall apply with the necessary modifications to the case where the gross value of the property real and personal in respect of which Estate duty is payable on the death of the deceased, exclusive of property settled otherwise than by the will of the deceased, does not exceed five hundred pounds, and where the gross value does not exceed three hundred pounds the fixed duty shall be thirty shillings, and where the gross value exceeds three hundred pounds and does not exceed five hundred pounds the fixed duty shall be fifty shillings.

(2.) All such property may be comprised in the notice under the said section thirty-three.

(3.) Where the net value of the property, real and personal, in respect of which Estate duty is payable on the death of the deceased, exclusive of property settled otherwise than by the will of the deceased, does not exceed one thousand pounds, such property, for the purpose of Estate duty, shall not be aggregated with any other property, but shall form an estate by itself; and where the fixed duty or Estate duty has been paid upon the principal value of that estate, the settlement Estate duty and the legacy and succession duties shall not be payable under the will or intestacy of the deceased in respect of that estate.

(4.) Where representation granted under this section if granted in England extends to property in Ireland, and if granted in Ireland extends to property in England, the principal registrar of the Probate Division of the High Court in England or Ireland, as the case may be, shall affix the seal of the court thereto on the same being sent to him for that purpose, with the fee of two shillings and sixpence.

(5.) Where the fixed duty of thirty or fifty shillings is paid within twelve months after the death of the deceased, interest on such duty shall not be payable.

Rates of Estate Duty.

Scale of rates of Estate duty.

17. The rates of Estate duty shall be according to the following scale :—

Where the Principal Value of the Estate							Estate Duty shall be payable at the Rate per cent. of
	£			£			
Exceeds	100	and does not exceed		500			One pound.
„	500	„	„	1,000			Two pounds.
„	1,000	„	„	10,000			Three pounds.
„	10,000	„	„	25,000			Four pounds.
„	25,000	„	„	50,000			Four pounds ten shillings.
„	50,000	„	„	75,000			Five pounds.
„	75,000	„	„	100,000			Five pounds ten shillings.
„	100,000	„	„	150,000			Six pounds.
„	150,000	„	„	250,000			Six pounds ten shillings.
„	250,000	„	„	500,000			Seven pounds.
„	500,000	„	„	1,000,000			Seven pounds ten shillings.
„	1,000,000						Eight pounds.

The rate of the settlement Estate duty where the property is settled shall be one per cent.

Provided that for any fractional part of ten pounds over ten pounds or any multiple thereof, the Estate duty and the settlement Estate duty shall be payable at the rate per cent. for the full sum of ten pounds.

Succession Duty.

Value of real successions for succession duty.

18.—(1.) The value for the purpose of succession duty of a succession to real property arising on the death of a deceased person shall, where the successor is competent to dispose of the property, be the principal value of the property, after deducting the Estate duty payable in respect thereof on the said death and the expenses if any properly incurred of raising and paying the same; and the duty shall be a charge on the property, and shall be payable by the same instalments as are authorised by this Act for Estate duty on real property, with interest at the rate of three per cent. per annum; and the first instalment shall be payable and the interest shall begin to run at the expiration of twelve months after the date on which the successor became entitled in possession to his succession or to the receipt of the income and profit thereof; and after the expiration of the said twelve months the provisions with respect to discount shall not apply.

(2.) The principal value of real property for the purpose of succession duty shall be ascertained in the same manner as it would be ascertained under the provisions of this Act for the purpose of Estate duty; and in the case of any agricultural property where no part of the principal value is due to the expectation of an increased income from such property, the annual value for the purpose of succession duty shall be arrived at in the same manner as under the provisions of this Part of this Act for the purpose of Estate duty.

Local Taxation Grant.

Adaptation of law as to probate duty grant.

19. In substitution for the grant out of the probate duties under the Local Government Act, 1888, the Probate Duty (Scotland and

Ireland) Act, 1888, and the Local Government (Scotland) Act, 1889, there shall be paid, out of the proceeds of the Estate duty derived from personal property, such sum as the Commissioners, in accordance with regulations made by the Treasury under those Acts, may determine to be an amount equal to one and a half per cent. on the net value of such of the property in respect of which Estate duty is leviable as would, if this Act had not been passed, have been chargeable with the duty imposed by section twenty-seven of the Customs and Inland Revenue Act, 1881, on Inland Revenue affidavits, and the first-mentioned Acts shall apply, as if the sum so determined were the probate duty grant or one half of the proceeds of the sums collected in respect of the probate duties (as the case requires) within the meaning of those Acts.

51 & 52 Vict. cc. 41 and 60. 52 & 53 Vict. c. 50.

44 & 45 Vict. c. 12.

British Possessions.

Exception as to property in British possessions.

20.—(1.) Where the Commissioners are satisfied, that in a British possession to which this section applies, duty is payable by reason of a death in respect of any property situate in such possession and passing on such death, they shall allow a sum equal to the amount of that duty to be deducted from the Estate duty payable in respect of that property on the same death.

(2.) Nothing in this Act shall be held to create a charge for Estate duty on any property situate in a British possession, while so situate, or to authorise the Commissioners to take any proceedings in a British possession for the recovery of any Estate duty.

(3.) Her Majesty the Queen may, by Order in Council, apply this section to any British possession, where Her Majesty is satisfied that, by the law of such possession, either no duty is leviable in respect of property situate in the United Kingdom when passing on death, or that the law of such possession as respects any duty so leviable is to the like effect as the foregoing provisions of this section.

(4.) Her Majesty in Council may revoke any such Order, where it appears that the law of the British possession has been so altered that it would not authorise the making of an Order under this section.

Savings and Definitions.

Savings.

21.—(1.) Estate duty shall not be payable on the death of a deceased person in respect of personal property settled by a will or disposition made by a person dying before the commencement of this Part of this Act, in respect of which property any duty mentioned in paragraphs one and two of the First Schedule to this Act, or the duty payable on any representation or inventory under any Act in force before the Customs and Inland Revenue Act, 1881, has been paid or is payable, unless in either case the deceased was at the time of his death, or at any time since the will or disposition took effect had been, competent to dispose of the property.

44 & 45 Vict. c. 12.

(2.) Where a person died before the commencement of this Part of this Act, the duties mentioned in the First Schedule to this

Act shall continue to be payable in like manner in all respects as if this Act had not passed.

(3.) Where an interest in expectancy in any property has, before the commencement of this Part of this Act, been bonâ fide sold or mortgaged for full consideration in money or money's worth, then no other duty on such property shall be payable by the purchaser or mortgagee when the interest falls into possession, than would have been payable if this Act had not passed; and in the case of a mortgage, any higher duty payable by the mortgagor shall rank as a charge subsequent to that of the mortgagee.

(4.) The settlement Estate duty of one per cent. shall not be payable in respect of property settled by a disposition which has taken effect before the commencement of this Part of this Act.

(5.) Where a husband or wife is entitled, either solely or jointly with the other, to the income of any property settled by the other under a disposition which has taken effect before the commencement of this Part of this Act, and on his or her death the survivor becomes entitled to the income of the property settled by such survivor, Estate duty shall not be payable in respect of that property until the death of the survivor.

Definitions.

22.—(1.) In this Part of this Act, unless the context otherwise requires:—

(*a.*) The expressions "deceased person" and "the deceased" mean a person dying after the commencement of this Part of this Act:

(*b.*) The expression "will" includes any testamentary instrument:

(*c.*) The expression "representation" means probate of a will or letters of administration:

(*d.*) The expression "executor" means the executor or administrator of a deceased person, and includes, as regards any obligation under this Part of this Act, any person who takes possession of or intermeddles with the personal property of a deceased person:

(*e.*) The expression "Estate duty" means Estate duty under this Act:

(*f.*) The expression "property" includes real property and personal property and the proceeds of sale thereof respectively and any money or investment for the time being representing the proceeds of sale:

(*g.*) The expression "agricultural property" means agricultural land pasture and woodland, and also includes such cottages, farm buildings, farm houses, and mansion houses (together with the lands occupied therewith) as are of a character appropriate to the property:

(*h.*) The expression "settled property" means property comprised in a settlement:

(*i.*) The expression "settlement" means any instrument, whether relating to real property or personal property, which is a settlement within the meaning of section two of the Settled Land Act, 1882, or if it related to real property would be a

45 & 46 Vict. c. 38.

settlement within the meaning of that section, and includes a settlement effected by a parol trust:

(*j.*) The expression "interest in expectancy" includes an estate in remainder or reversion and every other future interest whether vested or contingent, but does not include reversions expectant upon the determination of leases:

(*k.*) The expression "incumbrances" includes mortgages and terminable charges:

(*l.*) The expression "property passing on the death" includes property passing either immediately on the death or after any interval, either certainly or contingently, and either originally or by way of substitutive limitation, and the expression "on the death" includes "at a period ascertainable only by reference to the death:"

(*m.*) The expression "the Commissioners" means the Commissioners of Inland Revenue:

(*n.*) The expression "Inland Revenue affidavit" means an affidavit made under the enactments specified in the Second Schedule to this Act with the account and schedule annexed thereto:

(*o.*) The expression "prescribed" means prescribed by the Commissioners.

(2.) For the purposes of this Part of this Act—

(*a.*) A person shall be deemed competent to dispose of property if he has such an estate or interest therein or such general power as would, if he were sui juris, enable him to dispose of the property, including a tenant in tail whether in possession or not; and the expression "general power" includes every power or authority enabling the donee or other holder thereof to appoint or dispose of property as he thinks fit, whether exerciseable by instrument inter vivos or by will, or both, but exclusive of any power exerciseable in a fiduciary capacity under a disposition not made by himself, or exerciseable as tenant for life under the Settled Land Act, 1882, or as mortgagee: 45 & 46 Vict. c. 38.

(*b.*) A disposition taking effect out of the interest of the deceased person shall be deemed to have been made by him, whether the concurrence of any other person was or was not required:

(*c.*) Money which a person has a general power to charge on property shall be deemed to be property of which he has power to dispose.

(3.) This Part of this Act shall apply to property in which the wife or husband of the deceased takes an estate in dower or by the courtesy or any other like estate, in like manner as it applies to property settled by the will of the deceased.

Application to Scotland.

23. In the application of this Part of this Act to Scotland unless the context otherwise requires:— Application of Part of Act to Scotland.

(1.) The Court of Session shall be substituted for the High Court:

(2.) "Sheriff court" shall be substituted for "county court:"

(3.) "Confirmation" shall be substituted for "representation:"

(4.) The expression "receiver of the property and of the rents and profits thereof," means a judicial factor upon the property:

(5.) The expression "Inland Revenue affidavit," means the inventory of the personal estate of a deceased now required by law, and includes an additional inventory:

(6.) The expression "on delivering the Inland Revenue affidavit" means on exhibiting and recording a duly stamped inventory as provided by section thirty-eight of the Act of the forty-eighth year of the reign of King George the Third, chapter one hundred and forty-nine:

44 & 45 Vict. c. 12.

(7.) Section thirty-four of the Customs and Inland Revenue Act, 1881, shall be substituted for section thirty-three of that Act, and the Acts referred to in such section thirty-four shall extend to an estate of a gross value not exceeding five hundred pounds, and an application under the said Acts may be made to any commissary clerk, and any commissary clerk shall affix the seal of the court to any representation granted in England or Ireland upon the same being sent to him for that purpose, enclosing a fee of two shillings and sixpence:

(8.) The expression "personal property" means moveable property:

(9.) The expression "real property" includes heritable property:

(10.) The expression "incumbrance" includes any heritable security, or other debt or payment secured upon heritage:

(11.) The expression "executor" means every person who as executor, nearest of kin, or creditor, or otherwise, intromits with or enters upon the possession or management of any personal property of a deceased person:

(12.) The property comprised in any special assignation or disposition taking effect on death shall be deemed to pass on death within the meaning of this Act:

(13.) The expression "trustee" includes a tutor, curator, and judicial factor:

(14.) The expression "settled property" shall not include property held under entail:

(15.) An institute or heir of entail in possession of an entailed estate shall whether sui juris or not be deemed for the purposes of this Act to be a person competent to dispose of such estate:

(16.) Where an entailed estate passes on the death of the deceased to an institute or heir of entail, who is not entitled to disentail such estate without either obtaining the consent of one or more subsequent heirs of entail or having the consent of such one or more subsequent heirs valued and dispensed with, settlement Estate duty as well as Estate duty shall be paid in respect of such estate, but neither Estate duty nor settlement Estate duty shall be payable again in respect of such estate, until such estate is disentailed, or until an heir of entail to whom it passes on or subsequent to the death of the institute or heir first mentioned, and who is entitled to disentail it without obtaining the consent of any subsequent heir or heirs or having the consent of any subsequent heir or heirs valued and dispensed with, dies:

(17.) Where an institute or heir of entail in possession of an entailed estate, who is not entitled to disentail such estate without either obtaining the consent of one or more subsequent heirs of entail or having the consent of such one or more subsequent heirs valued and dispensed with, has paid Estate duty in respect of such estate, and afterwards disentails such estate, he shall be entitled to deduct from the value in money of the expectancy or interest in such estate of such one or more subsequent heirs, payable by him to them in respect of their consents having been granted or dispensed with, a proper rateable part of the Estate duty paid by him as aforesaid:

(18.) Where any person who pays Estate duty on any property, and in whom the property is not vested, is by this Act authorised to raise such duty by the sale or mortgage of that property, or any part thereof, it shall be competent for such person to apply to the Court of Session—

(*a*) for an order of sale of the property or part of it, and in the event of the court granting such order, it shall provide for the payment out of the price of the amount of the Estate duty which has been paid by such person, and the court shall thereafter make such order as to the disposal of the surplus, if any, of the price, by way of investment or otherwise, as to the court shall seem proper; the court may in such order specify the time and place at which, the person by whom, and the advertisement or notice after which the sale shall be made, and may ordain the person in whom the property is vested to grant a disposition thereof in favour of the purchaser, and if the person in whom the property is vested refuses or fails to do so, the court shall grant authority to the clerk of court to execute such disposition, and such disposition so executed shall be as valid as if it had been executed by the person in whom the property is vested; or

(*b*) for an order ordaining the person in whom the property is vested to grant a bond and disposition in security over the property in favour of the person who has paid the Estate duty, for the amount of the said duty, and if the person in whom the property is vested refuses, or fails to do so, the court shall grant authority to the clerk of court to execute such a bond and disposition in security, and such bond and disposition in security so executed shall be as valid as if it had been executed by the person in whom the property is vested, and shall be a first charge upon the property after any debt or incumbrance for which an allowance is directed to be made under this Act in determining the value of the property for the purpose of Estate duty;

Provided also that summary diligence shall not be competent thereupon, and that nothing herein contained shall make the duty to be recovered by the methods of these

sub-sections (*a*) and (*b*) recoverable at any earlier time than if it had been recovered by direct action against the person ultimately liable for the duty.

(19.) This Part of this Act shall apply to property in which the wife or husband of the deceased takes an estate of terce or courtesy or any other like estate in like manner as it applies to property settled by the will of the deceased.

Commencement.

Commencement of Part of Act.

24. This Part of this Act shall come into operation on the expiration of the first day of August one thousand eight hundred and ninety-four, in this Part of this Act referred to as the commencement of this Part of this Act.

PART II.

CUSTOMS.

Duty on tea.

25. The duty of Customs now payable on tea shall continue to be charged and paid, on and after the first day of August one thousand eight hundred and ninety-four until the first day of August one thousand eight hundred and ninety-five, on the importation thereof into Great Britain or Ireland (that is to say):—

Tea, the pound - - - Fourpence.

Addition to Customs duties on special kinds of beer.

26. In addition to the duties of Customs now payable on beer of the descriptions called mum, spruce, or black beer, imported into Great Britain or Ireland, there shall be charged and paid on and after the seventeenth day of April one thousand eight hundred and ninety-four until the first day of July one thousand eight hundred and ninety-five the duties following; (that is to say,)

	£	*s.*	*d.*
For every thirty-six gallons of beer where the worts thereof are or were before fermentation of a specific gravity—			
Not exceeding one thousand two hundred and fifteen degrees - - - -	0	2	0
Exceeding one thousand two hundred and fifteen degrees - - - -	0	2	4

This section shall extend to Berlin white beer, and other preparations, whether fermented or not fermented, of a character similar to mum, spruce, or black beer.

Addition to Customs duty on all other beer.

27. In addition to the duties of Customs now payable on every description of beer (other than is specified in the last preceding section) imported into Great Britain or Ireland, there shall be charged and paid on and after the seventeenth day of April one thousand eight hundred and ninety-four until the first day of July

one thousand eight hundred and ninety-five the duty following; (that is to say,)

	£	s.	d.
For every thirty-six gallons where the worts thereof were before fermentation of a specific gravity of—			
One thousand and fifty-five degrees - -	0	0	6

and there shall be allowed and paid in and for the same period in respect of all such beer a similar addition to the drawback granted on exportation, shipment for use as stores or removal to the Isle of Man, by section four of the Customs and Inland Revenue Act, 1881. And so, as to both duty and drawback, in proportion for any difference in gravity. 44 & 45 Vict. c. 12.

28. In addition to the duties of Customs now payable on spirits imported into Great Britain or Ireland there shall be charged and paid on and after the seventeenth day of April one thousand eight hundred and ninety-four until the first day of July one thousand eight hundred and ninety-five the duties following; (that is to say,) Additional duties of Customs on spirits.

	£	s.	d.
For every gallon, computed at proof, of spirits of any description (except perfumed spirits) including naphtha or methylic alcohol, purified so as to be potable, and mixtures and preparations containing spirits - - - - - -	0	0	6
For every gallon of perfumed spirits - -	0	0	10
For every gallon of liqueurs, cordials, mixtures, and other preparations entered in such a manner as to indicate that the strength is not to be tested -	0	0	8

And the duties of Customs on the articles herein-after mentioned, being articles of which spirits are a part or ingredient, shall be proportionately increased, and there shall accordingly be charged and paid on and after the seventeenth day of April one thousand eight hundred and ninety-four, until the first day of July one thousand eight hundred and ninety-five the duties following; (that is to say,) Alteration of Customs duties on certain goods containing spirits.

		£	s.	d.
Chloral hydrate - - -	the pound	0	1	4
Chloroform - - - -	the pound	0	3	3
Collodion - - - -	the gallon	1	6	3
Ether, acetic - - - -	the pound	0	1	11
Ether, butyric - - - -	the gallon	0	16	5
Ether, sulphuric - - -	the gallon	1	7	5
Ethyl, iodide of - - -	the gallon	0	14	3

This section shall not affect the continuance after the thirtieth day of June one thousand eight hundred and ninety-five of the duties existing prior to this section taking effect.

PART III.

EXCISE.

29. In addition to the duty of excise now payable in respect of beer brewed in the United Kingdom there shall be charged and Additional duty of excise on beer.

paidon and after the seventeenth day of April one thousand eight hundred and ninety-four, until the first day of July one thousand eight hundred and ninety-five—

For every thirty-six gallons of worts of a specific gravity of one thousand and fifty-five degrees the duty of sixpence,

and so in proportion for any difference in quantity or gravity.

Additional excise drawback on beer.

30. In addition to the drawback of excise now payable in respect of beer exported from the United Kingdom as merchandise or shipped for use as ship's stores there shall be allowed and paid in respect of beer brewed in the United Kingdom between the sixteenth day of April one thousand eight hundred and ninety-four, and the first day of July one thousand eight hundred and ninety-five—

For every thirty-six gallons of beer of an original gravity of one thousand and fifty-five degrees the drawback of sixpence,

and so in proportion for any difference in quantity or gravity.

Additional duty of excise on spirits.

31. In addition to the duty of excise now payable for every gallon computed at proof of spirits distilled in the United Kingdom, there shall be charged and paid on and after the seventeenth day of April one thousand eight hundred and ninety-four, until the first day of July one thousand eight hundred and ninety-five, the duty of sixpence, and so in proportion for any less quantity.

Additional duties to be added to the price of articles contracted for.

32. Where, before the seventeenth day of April one thousand eight hundred and ninety-four, any person shall have contracted for the sale of spirits or beer without reference to the duties of excise thereon granted by this Act, it shall be lawful for such person, and he is hereby authorised to receive from the purchaser, and sue for and recover the equivalent in money of the excess of such duties over the duties which would have been payable if this Act had not been passed.

PART IV.

INCOME TAX.

Grant of duties of income tax. 16 & 17 Vict. c. 34.

33.—(1.) There shall be charged, collected, and paid for the year which commenced on the sixth day of April one thousand eight hundred and ninety-four, in respect of all property, profits, and gains mentioned or described as chargeable in the Income Tax Act, 1853, the following duties of income tax; (that is to say,)

For every twenty shillings of the annual value or amount of property, profits, and gains chargeable under Schedules (A.), (C.), (D.), or (E.) of the said Act the duty of eightpence:

And for every twenty shillings of the annual value of the occupation of lands, tenements, hereditaments, and heritages chargeable under Schedule (B.) of the said Act—

In England, Scotland, and Ireland respectively, the duty of threepence.

(2.) All such provisions contained in any Act relating to income tax as were in force on the fifth day of April one thousand eight hundred and ninety-four shall have full force and effect with respect to the duties of income tax hereby granted so far as the same are consistent with this Act.

Exemption where income does not exceed 160*l.*, and abatement where income does not exceed 500*l.* 39 & 40 Vict. c. 16.

34. The provisions of the Income Tax Acts with respect to the exemption granted to persons whose respective incomes are less than one hundred and fifty pounds a year, shall extend to persons whose respective incomes do not exceed one hundred and sixty pounds a year, and in lieu of the relief or abatement from income tax granted by section eight of the Customs and Inland Revenue Act, 1876, to persons whose respective incomes are less than four hundred pounds a year, the following provisions shall have effect:—

(1.) Any person who shall be assessed or charged to any of the duties of income tax granted by this Act, or who shall have paid the same either by deduction or otherwise, and who shall claim and prove in the manner prescribed by the Income Tax Acts, that his total income from all sources, although exceeding one hundred and sixty pounds or upwards, does not exceed five hundred pounds, shall be entitled to relief or abatement as follows:—

(*a.*) If the total income of such person does not exceed four hundred pounds, to relief from so much of the said duties assessed upon or paid by him as an assessment or charge upon one hundred and sixty pounds of his income would amount to; and

(*b.*) If the total income of such person exceeds four hundred pounds, and does not exceed five hundred pounds, to the relief from so much of the said duties assessed upon or paid by him as an assessment or charge upon one hundred pounds of his income would amount to.

(2.) Where the total joint income of a husband and wife charged to income tax, by way either of assessment or deduction, does not exceed five hundred pounds and, upon any claim under this section, the Commissioners for the general purposes of the Acts relating to income tax are satisfied that such total income includes profits of the wife derived from any profession, employment, or vocation chargeable under Schedule D., or from any office or employment of profit chargeable under Schedule E., they shall deal with such claim as if it were a claim for exemption or relief or abatement as the case may be in respect of such profits of the wife, and a separate claim, on the part of the husband, for exemption or relief or abatement in respect of the rest of such total income.

Relief in respect of income tax under Schedule A. 5 & 6 Vict. c. 35.

35. In respect of the income tax hereby imposed under Schedule A., where the tax is charged upon annual value estimated otherwise than by relation to profits, the following provisions shall have effect:—

(*a.*) In the case of an assessment on lands inclusive of the farmhouse and other buildings (if any), the amount of the

assessment shall, for the purposes of collection, be reduced by a sum equal to one-eighth part thereof; and

(*b.*) In the case of an assessment upon any house or building (except a farmhouse or building included with lands in assessment), the amount of the assessment shall, for the purposes of collection, be reduced—

(i.) Where the owner is occupier or assessable as landlord, or where a tenant is occupier and the landlord undertook to bear the cost of repairs, by a sum equal to one-sixth part of that amount; and

(ii.) Where a tenant is occupier and undertook to bear the cost of repairs, by such a sum not exceeding one-sixth part of that amount, as may be necessary to reduce it to the amount of rent payable by him.

(*c.*) As between the owner and a mortgagee of his property, or any person having a charge thereon or entitled to any ground-rent, rentcharge, annuity, or other annual sum payable thereout, the owner's right of deduction under the Income Tax Acts in respect of income tax shall be in no wise prejudiced or affected by the relief afforded by this section.

(*d.*) Where the amount of the assessment in the case of lands (inclusive of the farmhouse and other buildings) is more than one-eighth, and in the case of any house or building (except a farmhouse or building included with lands in assessment) is more than one-sixth, below the rent, after deducting from such rent any outgoing which should by law be deducted in making the assessment, this section shall not apply.

Exemption of income tax in favour of savings banks. 26 & 27 Vict. c. 87.

36.—(1.) Any penny savings bank, or other bank for savings, whether certified under the Savings Bank Act, 1863, or not, shall be entitled to exemption from income tax chargeable under Schedules C. and D. of the Acts relating to income tax in respect of the income of the funds of the savings bank, so far as it is applied in the payment or credit of interest to any depositor not exceeding the sum of five pounds in the year for which exemption is claimed.

(2.) The exemption shall be claimed, proved, and allowed in the same manner as is prescribed by law in the case of income applicable and applied to charitable purposes.

(3.) Provided that where interest is paid, or dividends or interest are or is credited without deduction of income tax to a depositor in any savings bank whose income exceeds one hundred and sixty pounds a year, such interest, or dividends or interest, as the case may be, shall be accounted for and charged under the third case of Schedule D. under which profits of an uncertain annual value are directed to be charged.

Assessment of income tax under Schedules (A.) and (B.) and of the inhabited house duties for the year 1894–95. 32 & 33 Vict. c. 67.

37.—(1.) The sum charged as the annual value of any property, elsewhere than in the metropolis as defined by the Valuation (Metropolis) Act, 1869, in the assessment of income tax thereon for the year which commenced on the sixth day of April one thousand eight hundred and ninety-three, shall be taken as the annual value of such property for the assessment and charge thereon of the duties of income tax hereby granted under Schedules (A.) and (B.).

(2.) The sum charged as the annual value of every inhabited house elsewhere than in the said metropolis made thereon for the year which commenced as respects England on the sixth day of April one thousand eight hundred and ninety-three, and as respects Scotland on the twenty-fifth day of May one thousand eight hundred and ninety-three, shall be taken as the annual value of the inhabited house for the assessment and charge thereon of the duties on inhabited houses as respects England for the year which commenced on the sixth day of April one thousand eight hundred and ninety-four, and as respects Scotland for the year commencing on the twenty-fifth day of May one thousand eight hundred and ninety-four.

(3.) The inspectors or surveyors of taxes shall be the assessors of the said duties of income tax under Schedules (A.) and (B.), and of the said duties on inhabited houses.

Provisions as to duty on dividends, &c., paid prior to the passing of this Act.

38.—(1.) Where, in the case of any dividends, interest, or other annual profits or gains due or payable half-yearly or quarterly in the course of the said year which commenced on the sixth day of April one thousand eight hundred and ninety-four, any half-yearly or quarterly payments shall have been made prior to the passing of this Act, the duty of income tax hereby granted, or so much by relation to such duty as shall not have been charged thereon or deducted therefrom, shall be charged under Schedule D. in respect of such payments as profits or gains not charged by virtue of any other schedule in conformity with the provision contained in the sixth case of Schedule D., in section one hundred of the Income Tax Act, 1842, and the agents entrusted with the payment of the dividends, interest, or other annual profits or gains, shall furnish a list containing the names and addresses of the persons to whom payments have been made, and the amount of such payments, to the Commissioners of Inland Revenue upon a requisition in that behalf.

5 & 6 Vict. c. 35.

(2.) Where any person liable to pay any rent, interest, annuity, or other annual payment in the course of the said year shall, on making any such payment prior to the passing of this Act, have not made any deduction or have made an insufficient deduction in respect of the duty of income tax hereby granted he shall be authorised to make the deduction or make up the deficiency on the occasion of the next payment in addition to any other deduction which he may by law be authorised to make.

(3.) The charge or deduction of the duty of income tax at a rate not exceeding the rate hereby granted in the case of any payment made in the course of the said year prior to the passing of this Act shall be deemed to have been a legal charge or deduction.

PART V.

MISCELLANEOUS.

Composition for certain Stamp Duties.

Extension of 54 & 55 Vict. c. 39. s. 114.

39. The provisions contained in section one hundred and fourteen of the Stamp Act, 1891, in reference to the composition for stamp

duty chargeable on transfers of certain stocks, shall extend to the stock of any foreign state or government which is inscribed in the books of the Bank of England.

Exemption of Coupons from Stamp Duty.

Exemption of coupons.

40. A coupon for interest on a marketable security as defined by the Stamp Act, 1891, being one of a set of coupons whether issued with the security or subsequently issued in a sheet, shall not be chargeable with any stamp duty.

PART VI.

IMPERIAL AND NAVAL DEFENCE LOANS.

Alteration of Imperial and Naval Defence Acts.

41.—(1.) All dividends or other moneys received by the Treasury after the first day of July one thousand eight hundred and ninety-four in respect of Suez Canal shares shall be paid into the Exchequer.

(2.) The sum by which the aggregate payments made to the Naval Defence Account under section two of the Naval Defence Act, 1889, before the thirty-first day of March one thousand eight hundred and ninety-four, exceed the authorised expenditure of ten million pounds, or any less sum which on the completion of the contract vessels has been actually expended on those vessels, shall be paid from that account into the Exchequer, and the instalments payable to the said account under the said section shall cease after the said day to be payable.

51 & 52 Vict. c. 32. 52 & 53 Vict. c. 8. 56 & 57 Vict. c. 45.

(3.)—(*a.*) The old sinking fund and the new sinking fund may, notwithstanding anything in the Imperial Defence Act, 1888, and the Naval Defence Acts, 1889 and 1893, and in addition to any other mode of application, be applied in paying off all or any part of the loan of two million six hundred thousand pounds borrowed under Part II. of the Imperial Defence Act, 1888 (in this Act referred to as the Imperial Defence Loan), and of the loan of three million one hundred and forty-six thousand pounds borrowed under the Naval Defence Act, 1889 (in this Act referred to as the Naval Defence Loan);

(*b.*) The interest on the Imperial Defence Loan and the Naval Defence Loan, or on such part thereof as is for the time being outstanding, shall, so far as it would, but for this section, come into course of payment out of the moneys provided by Parliament for army services or naval services, be paid out of the permanent annual charge for the National Debt, and the Treasury shall, so far as regards any payments already made, make such adjustments as appear to them necessary for carrying into effect this section.

(4.) Nothing in this section, nor any repeal by this section, shall affect the charge on the Consolidated Fund of any loan, so far as the same is required for the purpose of repaying the principal or interest of such loan to the holder of the security for the same.

(5.) The Acts specified in the Third Schedule to this Act are hereby repealed to the extent and from the dates in the third column of that schedule mentioned.

Short Title.

42. This Act may be cited as the Finance Act, 1894. Short title.

SCHEDULES.

FIRST SCHEDULE.

EXISTING DUTIES REFERRED TO.

1. The stamp duties imposed by the Customs and Inland Revenue Act, 1881, on the affidavit to be required and received from the person applying for probate or letters of administration in England or Ireland, or on the inventory to be exhibited and recorded in Scotland. Sections 1, 5, 13, 21. 44 & 45 Vict. c. 12.

2. The stamp duties imposed by section 38 of the Customs and Inland Revenue Act, 1881, as amended and extended by section 11 of the Customs and Inland Revenue Act, 1889, on the value of personal or moveable property to be included in accounts thereby directed to be delivered. 52 & 53 Vict. c. 7.

3. The additional succession duties imposed by section 21 of the Customs and Inland Revenue Act, 1888. 51 & 52 Vict. c. 8.

4. The temporary estate duties imposed by sections 5 and 6 of the Customs and Inland Revenue Act, 1889.

5. The duty at the rate of one pound per cent. which would by virtue of the Acts in force relating to legacy duty or succession duty have been payable under the will or intestacy of the deceased, or under his disposition or any devolution from him under which respectively Estate duty has been paid, or under any other disposition under which Estate duty has been paid.

SECOND SCHEDULE.

ACTS REFERRED TO.

Section 22 (*n*).

Session and Chapter.	Title or Short Title.	Section referred to.
55 Geo. 3. c. 184. -	The Stamp Act, 1815 -	Section thirty-eight.
56 Geo. 3. c. 56. - -	An Act the title of which begins with the words "An Act to repeal "the several stamp "duties" and ends with the words "managing "the said duties."	Section one hundred and seventeen.
43 Vict. c. 14. - -	The Customs and Inland Revenue Act, 1880.	Section ten.
44 & 45 Vict. c. 12. -	The Customs and Inland Revenue Act, 1881.	Sections twenty-nine and thirty-two.

THIRD SCHEDULE.

Section 41.

ACTS REPEALED.

Session and Chapter.	Short Title.	Extent of Repeal.
51 & 52 Vict. c. 32.	The Imperial Defence Act, 1888.	The whole of Part Two and section eleven, from "The expression Treasury" to "Admiral," from "the expression Suez" to "1876," and from "The expression Exchequer" to the end of the section, as from the passing of this Act.
52 & 53 Vict. c. 8.	The Naval Defence Act, 1889.	The whole Act as from the following dates: Section two, from "To provide such money" to "Exchequer," being sub-sections two to five, as from the end of the last financial year before the passing of this Act, and from "the principal of all securities" to the end of the section, being sub-sections six, seven, and eight, as from the 31st of December one thousand eight hundred and ninety-two; section five, as from the completion of the audit therein mentioned; and the residue as from the end of the present financial year.
56 & 57 Vict. c. 45.	The Naval Defence Act, 1893.	The whole Act as from the end of the present financial year.

CHAPTER 31.

An Act for authorising the Treasury to indemnify the Bank of England with respect to the Transfer of Consolidated Bank Annuities standing in the name of the late Sultan of Zanzibar. [31st July 1894.]

WHEREAS there are now standing in the name of His Highness Seyyid Ali bin Said bin Sultan, Sultan of Zanzibar, in the books of the Bank of England the sum of two hundred and four thousand nine hundred and eleven pounds six shillings and ninepence Consolidated Bank Annuities, and certain sums of cash representing dividends thereon:

And whereas the said Sultan is dead, and difficulties have arisen as to the mode in which the said sum of Bank Annuities shall be transferred and as to the receipt of the said cash:

And whereas the present Sultan of Zanzibar has executed the agreement set forth in the schedule to this Act: