

Inheritance Tax Act 1984 (Amendment) (Siblings) Bill

A BILL

TO

Amend the Inheritance Tax Act 1984 to make transfers between siblings exempt in certain circumstances.

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:—

1 Amendment to the Inheritance Tax Act 1984

- (1) The Inheritance Tax Act 1984 is amended as follows.
- (2) After section 18, insert—

“18A Transfers between siblings

- (1) A transfer of value is an exempt transfer to the extent that the value transferred is attributable to property which becomes comprised in the estate of a sibling of the transferor to whom subsection (2) applies or, so far as the value transferred is not so attributable, to the extent that that estate is increased.
- (2) This subsection applies to a sibling who has—
 - (a) ordinarily resided in the same household as the transferor for a continuous period of 7 years ending with the date of the transfer; and
 - (b) attained the age of thirty before that date.
- (3) For the purposes of this section, “sibling” means a brother, sister, half-brother or half-sister of the transferor.”

2 Extent, commencement and short title

- (1) This Act extends to England and Wales, Scotland and Northern Ireland.
- (2) This Act comes into force at the end of the period of two months beginning with the day on which it is passed.

- (3) This Act may be cited as the Inheritance Tax Act 1984 (Amendment) (Siblings) Act 2020.