STATUTORY INSTRUMENTS

1975 No. 1456

TAXES

DEATH DUTIES

The Estate Duty (Northern Ireland) (Interest on Unpaid Duty) Order 1975

Made - - - -	*3rd September* 1975
Laid before Parliament	*9th September* 1975
Coming into Operation	*1st October* 1975

The Treasury, in exercise of the powers conferred on them by section 1(2) of the Finance Act (Northern Ireland) 1970(**a**), as amended by Article 5(3) of, and Schedule 3 to, the Northern Ireland (Modification of Enactments—No. 1) Order 1973(**b**), hereby make the following Order:—

1. This Order may be cited as the Estate Duty (Northern Ireland) (Interest on Unpaid Duty) Order 1975 and shall come into operation on 1st October 1975.

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

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

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

shall, as regards interest accruing on or after 1st October 1975, be 6 per cent., instead of 3 per cent., per annum.

3. Section 8(9) of the Finance Act 1894(**f**) shall, as regards interest accruing on or after 1st October 1975, have effect with the substitution of the word "six" for the word "four".

James A. Dunn,
Donald R. Coleman,
Two of the Lords Commissioners of Her Majesty's Treasury.

3rd September 1975.

(**a**) 1970 c. 21 (N.I.).
(**b**) S.I. 1973/2163 (1973 III, p. 7541).
(**c**) 1896 c. 28.
(**d**) 1910 c. 8.
(**e**) 1912 c. 8.
(**f**) 1894 c. 30.

EXPLANATORY NOTE

(This Note is not part of the Order.)

Estate duty is chargeable only in relation to deaths before 13th March 1975, having been replaced for deaths on or after that date by capital transfer tax. Interest on unpaid capital transfer tax chargeable on death is payable at 6 per cent. and the earliest date from which it will run is 1st October 1975. Article 2 of this Order provides that from that date interest on unpaid estate duty will also run at 6 per cent. (instead of 3 per cent. as at present) under various provisions imposing a fixed rate of interest. By Article 3 the limit on the discretionary rate of interest that may be charged where payment of estate duty is postponed on grounds of hardship is correspondingly altered by substituting 6 per cent. for 4 per cent. The effect of this Order in conjunction with section 48(1) of the Finance Act 1975 is that from 1st October 1975 interest will also run at 6 per cent. on overpaid estate duty which is repayable.

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