Technical Guide
For use by financial brokers only

ZURICH

Inheritance Tax

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Estate planning is important for everyone.

Introduction

Estate planning is important for everyone. If your clients are planning to leave assets after their death to certain people, some of the questions below may need to be considered.

1. What should happen to the assets on your client's death?
2. Does your client want to save tax and avoid legal problems?
3. Who are the beneficiaries; a spouse, a civil partner, children or a friend?
4. How is your client's estate to be divided up?
5. Has your client made a Will?

Making a Will is the most important step your client can take for efficient estate planning. A Will can help your client make maximum use of the thresholds and it also legally binds the clients wishes.

If a potential inheritance tax liability is identified, your clients could take out a Section 72, Guaranteed Whole of Life Plan to help ensure the tax liability does not put their homes or business in jeopardy.

You, as their financial broker, can help make sure the real value of these assets is not reduced by inheritance tax.

Capital Acquisitions Tax

Capital Acquisitions Tax (CAT) is comprised of three separate taxes.

- **Inheritance Tax** - a tax which arises when an individual (the successor) receives assets by way of an inheritance due to somebody dying (the disponer).
- **Gift Tax -** a tax which arises when an individual (the donee) receives assets by way of a gift from another person (the disponer).
- **Discretionary Trust Tax -** a tax on a trust set up where assets are put into trust by a disponer, held by trustees for beneficiaries.

Who pays the tax?

It is the person receiving the inheritance or the gift (the successor/donee) who is liable for the tax, not the person providing the inheritance or gift (the disponer). This technical guide primarily deals with Inheritance Tax.

What is taxable?

Any asset (i.e. cash, land, investments, property, etc;) will be liable to inheritance tax if:

- the asset is located in Ireland; or
- if the asset is located abroad and the disponer or the successor/donee is resident or ordinarily resident in Ireland.

Valuing the assets

An accurate assessment of the assets which will be passed on is needed to calculate the liability for CAT. The value of the assets will determine the tax. For example, if an asset is still worth €100,000 after all exemptions and reliefs are accounted for, there is still a tax liability of €33,000 at the current rate. We will go into further detail on exemptions and reliefs later on in the guide.

What value is placed on the benefit?

A fair 'open market value' of the benefit is established. This is then reduced by any liabilities or expenses attaching to the benefit (e.g. outstanding mortgage on a house) to arrive at the 'incumbrance-free value' which is used in the inheritance tax calculation. Any money paid for the benefit is also deducted from the incumbrance-free value to derive the taxable value.

Some points to consider:

- When all the assets in a person's estate are taken into account, including property, shares and investments, a child can find themselves with a large inheritance tax liability in the event of a parent dying.
- There are three thresholds above which inheritance tax is due. These are classified according to the relationship between disponer and successor.
- Inter-spousal transfers (lifetime or on death) are exempt from gift/inheritance tax under current Revenue Law. The Finance (No. 3) Act 2011 extended this exemption to registered civil partners.
- Various reliefs are available which are explained later in this booklet, i.e. business relief, agricultural relief and 'favourite nephew/niece' relief.
- An inheritance of property situated outside Ireland is liable to inheritance tax only if the disponer or the successor is resident or ordinarily resident in Ireland at the date of the inheritance.

Tax exempt thresholds for beneficiaries

There are three groups of thresholds. The threshold amounts vary depending on the relationship between the beneficiary and the disponer.

Group A:

- Each child is currently entitled to receive up to a maximum of €400,000 in respect of gifts or inheritances from their parents without incurring a tax liability.
- A 'Child' for Capital Acquisitions Tax (CAT) purposes is any child including an adoptive child, a stepchild, child of a civil partner and, in certain circumstances, foster child.
- It also includes a minor child of a deceased child of the disponer i.e. a grandchild less than 18 years of age whose deceased parent was a child of the disponer.

Group B:

- Where the beneficiary is a lineal ancestor, descendant, brother, sister, or child of brother or sister of the disponer, they may receive up to a current maximum of €40,000 without incurring a tax liability.

Group C:

- In all other cases (including common law spouses/co-habitants) the tax-free threshold is currently €20,000.

Calculation of Tax

The rate of tax charged on benefits above each tax-free threshold is 33% (the rate applicable to benefits taken on or after 6th December 2012).

(Note: There is an annual Gift Tax exemption of €3,000 from each disponer to a donee. Therefore, for example, two parents could gift a child €3,000 each (i.e. €6,000) per annum without the child incurring a tax liability and without that amount affecting the relevant tax-free threshold.)

Tax is assessed on the cumulative total taxable value of all gifts and inheritances received on or after 5th December 1991 from all disponers within the same group.

When is inheritance tax due?

Inheritance tax is due when the donee or successor becomes 'beneficially entitled in possession to the benefit' (i.e. on the day the benefit is transferred to the successor) subject to the period of grace for payment below.'

How is the tax paid?

The payment for inheritance tax and the filing of returns are subject to the Self-assessment System and so the obligation to make a return to the Revenue Commissioners rests with the person receiving the inheritance. An IT38 Return must be filed when an inheritance either on its own or aggregated with prior benefits, exceeds 80% of the relevant threshold.

The Pay and File date for Capital Acquisitions Tax is 31 October. As a result, all inheritances with a valuation date in the twelve month period ending on the previous 31 August, will be included in the return to be filed by 31 October.

This means that where the valuation date arises between 1 January and 31 August in any year, the Pay and File deadline would be 31 October in that year.

Where the valuation date is between 1 September and 31 December the Pay and File deadline would be 31 October in the following year.

Examples:

Valuation Date	Pay & File Date
1 March current year	31 October same year
1 September current year	31 October of following year

Surcharges for late filing

An important element of any fixed Pay and File regime is an appropriate sanction for those who do not comply with the Pay and File deadline. In the case of Income Tax, Corporation Tax and Capital Gains Tax this takes the form of a surcharge for the late filing of a return.

The surcharge is based on a percentage increase in the total tax payable for the year of assessment. A similar surcharge provision was introduced for CAT and therefore inheritance tax. This is consistent with the objective of bringing CAT into line with other self-assessment taxes.

The surcharge is based on a percentage increase in the total tax payable for the year of assessment, and is subject to a grading of the surcharge by reference to the length of the delay in filing as well as being subject to an overall cap on the level of the surcharge calculated as follows:

A 5% surcharge applies, subject to a maximum of €12,695, where the tax return is delivered within two months of the filing date.

A 10% surcharge, up to a maximum of €63,485, will be applied where the tax return is not delivered within two months of the filing date.

[1] Interest also arises for late payments.
(Source: www.revenue.ie)

Reliefs

Reliefs available on C.A.T. constitute three parts:

- Agricultural Relief
- Business Relief
- Favourite nephew/niece relief

Agricultural Relief

This is a special relief given in respect of certain agricultural property taken by a 'farmer'. The relief operates by reducing the market value of 'agricultural property' by 90%. This means the inheritance tax is calculated on the 'agricultural value' which would be less than market value.

A 'farmer' means: an individual in respect of whom at least 80% of the gross property to which he is beneficially entitled in possession is, after the taking of the gift or inheritance, agricultural property.

- The '80%' test does not apply in the case of agricultural property consisting of trees and underwood.

Measures contained in the 2014 Finance Act

In addition to the existing conditions, the following conditions also apply to gifts or inheritances taken on or after 1 January 2015 where the valuation date also arises on or after 1 January 2015.

The beneficiary must:

- Farm the agricultural property for a period of not less than 6 years commencing on the valuation date or
- Lease the agricultural property for a period of not less than 6 years commencing on the valuation date. The agricultural property may be leased to a number of lessees as long as each lease and lessee satisfies the conditions of the relief.

In addition, the beneficiary (or the lessee, where relevant) must:

- Have an agricultural qualification (a qualification of the kind listed in Schedule 2, 2A or 2B of the Stamp Duties Consolidation Act 1999) or
- Farm the agricultural property for not less than 50% of his or her normal working time.

The agricultural property must also be farmed on a commercial basis and with a view to the realisation of profits.

When the donee or successor is a farmer (as defined), the market value of all agricultural property (as defined) passing on or after 23 January 1997 is reduced by 90%.

What is 'Agricultural Property'?

For Gifts and Inheritances taken on or after 20th November, 2008 'Agricultural property' means:

- agricultural land, pasture and woodland situated in a Member State of the European Union*;
- crops, trees and underwood growing thereon;
- houses and other farm buildings appropriate to the property; and
- livestock, bloodstock and farm machinery thereon.
- A payment entitlement (within the meaning of Council Regulation (EU) No. 1782/2003 of 29 September 2003)

* For Gifts and Inheritances taken prior to 20th November, 2008 the definition of Agricultural Property included land, pasture and woodland situated in the State only.

To qualify for the relief the gift or inheritance must consist of agricultural property both at the date of the gift or inheritance and at the Valuation Date. The Valuation Date is the date at which the property is valued for gift/inheritance tax purposes.

Exceptionally, however, the relief is applicable to the whole or part of a gift or inheritance notwithstanding that that whole or part did not strictly consist of agricultural property until after the date of the gift or inheritance:

- where an individual receives a benefit on condition that it is invested in whole or part in agricultural property and the condition is fully complied with inside two years after the date of the gift or inheritance; and
- where, in the course of administration, agricultural property is appropriated to satisfy in whole or in part a benefit under a will or intestacy and that agricultural property was subject to the will or intestacy at the date of the inheritance.

Shares in a company deriving their value from agricultural property do not qualify for agricultural relief but may qualify for business relief

Can the Relief Be Withdrawn or Clawed Back?

Yes. There are a number of circumstances in which the relief can be withdrawn or partially clawed back.

- The relief is clawed back if any part of the agricultural property is not farmed by an active farmer, or by a leasee who is an active farmer, for at least 50% of the person's normal working time, throughout the 6 year qualifying period from the validation date.
- In general, the relief is withdrawn where the agricultural property is sold (or compulsorily acquired) within six years of the date of the gift or inheritance and is not replaced within one year of the sale of or within six years of the compulsorily acquisition by other agricultural property.
- The withdrawal, or partial clawback, of the relief does not apply in relation to the sale of crops or timber, or where the beneficiary dies before the sale or compulsory acquisition
- Where land which qualified for agricultural property is disposed of in whole or in part, by the donee or successor, in the period commencing 6 years after the date of the gift or inheritance and ending 10 years after that date, the relief granted will be clawed back in respect of the development value of that land at the valuation date of the gift or inheritance.
- If a residency requirement is not met:
- In the case of a gift or inheritance taken on or before 7 February 2012 the relief is withdrawn unless the individual in receipt of the benefit is resident in the State for all of the three tax years immediately following the tax year in which the Valuation Date falls.
- The Finance Act of 2012 removes the condition that an individual must be resident in the State for three years after the date of the inheritance. This only applies to gifts or inheritances taken on or after 8 February 2012.

How is the Relief Obtained?

An Agricultural Relief Claim must be made online by filing an IT38 (Inheritance Tax/Gift Tax Return form) through ROS, Revenue's online service.

Reliefs continued

Business Relief

There is also relief from CAT for business property acquired by gift or inheritance. The relief provides for a reduction in the taxable value (i.e. encumbrance free value less consideration) of all relevant business property by 90%.

What is relevant business property?

Only relevant business property will qualify for the relief. "Relevant business property" is defined as:

- the business or an interest in the business in the case of a business carried on by a sole trader or by a partnership. "Business" is defined as one which is carried on for gain and it includes the exercise of a profession or location as well as a trade.

Individual assets used in the business, such as a factory, will not qualify for the relief if transferred to the beneficiary without the business.

Can the Relief be Clawed Back?

Yes

- If the business, or any business which replaced it, ceases to trade within a period of 6 years after the date of the gift or inheritance the relief will be clawed back unless the business is replaced within 1 year by other relevant business property. However, there will be no claw back of the relief where the business ceases to trade by reason of bankruptcy or as a result of a bona fide winding-up on the grounds of insolvency.
- The relief will also be clawed back if, within that 6 year period, the business or the shares or securities, are sold, redeemed or compulsorily acquired and are not replaced within 1 year by other relevant business property. If there is a subsequent inheritance of the same property within the said 6 year period, a sale or other event happening after the date of the subsequent inheritance will not trigger a claw back in relation to the earlier gift or inheritance.
- Where land which qualified for business relief is disposed of in whole or in part, by the donee or successor, in the period commencing 6 years after the date of the gift or inheritance and ending 10 years after that date, the relief granted will be clawed back in respect of the development value of that land at the valuation date of the gift or inheritance.

If only part of the relevant business property ceases to qualify for the relief the claw back will relate only to that part.

Let's take an example

Company Value at €2 million

Qualifying Business Assets = €1.5 million
Non Qualifying Business Assets = €500,000
Business Relief
90% x 1.5 million = €1.35 million

The balance is taxable, this is €150,000 (i.e €1.5 million - €1.35million)

Therefore, taxable value of the business is (€500,000 + €150,000)

€650,000 = Taxable value of the business

So it is worth noting that although Business Relief is at 90% there may be a sizeable amount of the business exposed to an Inheritance tax liability.

Favourite Nephew and Niece relief

Paragraph 7, Part 1, Schedule 2, of the Act refers.

Favourite Nephew/Niece relief entitles a beneficiary who is a child of the disponer's brother or sister or a child of the civil partner of the disponer's brother or sister to be treated as a "child" of the disponer provided certain conditions are met. Where the relief applies, the niece or nephew is entitled to the Group A threshold of €400,000 instead of the Group B threshold of €40,000.

The relief applies to a niece or nephew who has worked substantially on a full-time basis for the disponer for the period of five years ending on the date the disponer ceases to have a beneficial interest in possession in the business. The relief will only apply to assets used in connection with the business. Note that farming is a business for the purposes of the relief. In order to qualify for the relief, the beneficiary must have worked a minimum number of hours in the disponer's business, i.e.

- 15 hours per week in a small business, i.e. a business carried on exclusively by the disponer, the disponer's spouse or civil partner and the nephew/niece.
- 24 hours per week in a larger business, i.e. where there are other employees.

Companies and Favourite Nephew/Niece Relief

In order for shares in a private company to qualify for the relief, the company must be a private trading company controlled by the disponer in accordance with the provisions of section 27 of the Act and the disponer must also be a director of the company.

Note that investment assets included in a balance sheet are not regarded as business assets for the purpose of Favourite Nephew/Niece relief and a beneficiary will only be entitled to the Group B threshold on such assets.

Important Note:

The details above in relation to the Agricultural, Business and Favourite Nephew/Niece relief are very general and, as each area can be very complex, we would strongly recommend that a qualified tax adviser be consulted prior to making any tax returns including any of the above reliefs.

Dwelling House Exemption

Section 86 of the Capital Acquisitions Tax Consolidation Act 2003 provides that inheritances of a dwelling house taken on or after 25 December 2016 will be exempt from capital acquisitions tax provided certain conditions are satisfied which are listed below.

The conditions therefore for a dwelling house to be exempt from Capital Acquisitions Tax are as follows:

The donor must have occupied the dwelling house as his/her only or main residence at his/her date of death. This requirement will be relaxed in situations where the deceased person had to leave because of ill health e.g. to live in a nursing home;

The beneficiary must have continuously occupied the dwelling house as his/her only or main residence for a period of three years immediately before the date of the inheritance. Where the dwelling house on which the exemption is claimed, replaced another dwelling house within the three year period, this condition will be satisfied where the beneficiary has continuously occupied both houses as his/her only/main residence for a total period of three out of the four years, immediately prior to the date of the inheritance;

- The beneficiary must not be entitled to an interest in any other dwelling house at the date of the inheritance and
- The beneficiary must continue to occupy the dwelling house (except where such beneficiary is aged 65 or over) as his/her only or main residence for a period of six years from the date of the inheritance. The exemption will not be withdrawn where the recipient requires long term medical care in a hospital/nursing home/convalescent home or is required by reason of his employment to reside elsewhere.

Previously, the Dwelling House Exemption could be used where the property was gifted to beneficiaries who have been living in the property for three or more years. This has now been removed, in that the exemption will only apply in the following limited set of circumstances.

- Gifts to a relative aged 65 or over;
- Gifts to an incapacitated relative; or
- An inheritance (where the disponer occupied the house as his/her main residence at his/her date of death).

In the case of a gift of a dwelling house to a dependent relative, the dwelling house is not required to have been the principal private residence of the donor.

The Revenue Commissioners have advised that gifts taken prior to 25 December 2016, the recipient of a gift of a dwelling house does not have to be a dependent relative to qualify for the exemption.

For further information see: www.revenue.ie/en/tax/cat/leaflets/cat10.html

List of exemptions from C.A.T. include:	
Spouses & Registered Civil Partners	Transfers between spouses/civil partners and divorcees under certain conditions are free of inheritance tax.
Dwelling House Exemption	See explanation on the previous page.
Small Gift Exemption	The first €3,000 per annum per disponer of any gift is free.
Compensation Payments	Compensation payments for injury or for the death of another person.
Winnings	Winnings from lotteries and gambling are exempt, as are prizes.
Certain Property	Gifts inheritances of items of artistic, historic, national or scientific interest are exempt, provided they are kept permanently on display in the State. The exemption may be lost if the objects are sold within six years of the valuation date in the beneficiary's lifetime, except if sold to a limited number of bodies e.g. The National Gallery of Ireland.
Donations	For public or charitable purposes are exempt subject to Revenue approval.
Stately Homes/Gardens	Exempt if they comply with viewing conditions.
ARF or AMRF	Taken by a child aged 21 years or more if taken under will or intestacy from the deceased parent. However, income tax at 30% does apply.
Pension, Retirement, Redundancy Payment	From an employer to an (ex) employee is exempt.

Note: If the benefit arising under the pension scheme is taken by a person other than the (ex) employee, then that benefit is deemed to come from the (ex) employee, so C.A.T. may apply.

Reducing tax liability

Transfers between spouses/civil partners and divorcees under certain conditions are free of inheritance tax.

There are a number of ways by which a potential inheritance tax liability can be reduced including:

- Drawing up a will or altering an existing one in such a way as to gain maximum advantage for each class threshold and reliefs.
- Discretionary trusts can be used to defer C.A.T. but carry a Discretionary Trust Tax (up to 6% in the first year of charge and 1% per annum). It is also a requirement to register these trusts on the Central Register of Beneficial ownership of trusts (CRBOT).
- Ensuring small gift exemption of €3,000 per annum per disponer is used up annually.
- Ensuring compliance with the conditions of the reliefs and avoiding clawbacks of reliefs.

These options, however, may not be sufficient to cover a future inheritance tax liability and so it may be prudent to effect a Section 72 Life Insurance Policy.

Covering the Inheritance Tax liability

Section 72 policies

Section 72, Capital Acquisitions Tax Consolidation Act 2003 grants a relief in relation to the proceeds of life insurance policies which would otherwise be liable to inheritance tax on the death of the insured person.

Section 72 provides that the proceeds of any qualifying insurance policy taken out under this section by the insured person on his/her own life will be exempt from inheritance tax insofar as such proceeds are used to pay the inheritance tax on the benefits received on the insured person's death, or within a year of his death.

Simply, under section 72 the proceeds of a life insurance policy are used to pay the inheritance tax liability on the benefits received on the death of a person.

Key features of Section 72 policies:

1. The life insurance policy must be a Revenue approved policy.
2. The policy is expressly effected under Section 72 for the purposes of paying inheritance tax on death.
3. The policy can be a single life policy or a joint life second death policy effected by spouses or registered civil partners.
4. The policy must be affected on the life or lives of the disponer(s) who also must pay the premiums.
5. The Section 72 policy must have a ratio of sum assured to annual premium of at least 8:1. If the policy has a premium loading for medical, occupational or financial reasons, the ratio must be at least 6:1.
6. Any portion of the proceeds not used to pay off the inheritance tax liability will be liable itself to inheritance tax.
7. A policy can be effected by a disponer as an employee of a company however:
   - if the premiums are paid by the employer they are deemed to be a 'benefit-in-kind' chargeable to income tax in the hands of the insured.
   - no deduction is claimed for income tax purposes by the insured in respect of those premiums.

Civil Partners and Co-habitants

There are three groups of thresholds. The threshold amounts vary depending on the relationship between the beneficiary and the disponer.

Civil Partners and Co-habitants

The Finance (No. 3) Act 2011 provides for the changes arising from the Civil Partnership & Certain Rights and Obligations of Cohabitants Act 2010. This Act created a legal status of civil partnership for same-sex couples who register their partnership. The similar range of property and financial entitlements which applied only to married couples now apply to civil partners.

For the purposes of inheritance tax, the Act provides for a full exemption from tax for inheritances between civil partners. For a definition of Registered Civil Partners, please refer to the glossary (page 14).

Co-habitants are still treated as strangers for the purposes of inheritance tax. Any inheritance between co-habitants which is not made under a court order, may be liable to tax based on the excess of the market value over the Group 'C' Threshold of €20,000.

Co-habitants - an example

Peter and Patricia purchase a house together which is held as joint tenants. They both put forward an equal amount for the deposit and pay the same amount in terms of repaying the mortgage. Unfortunately, Peter dies within a year of the mortgage being drawn down. As the policy was assigned to the lending institution, the relevant sum insured is paid directly to the lending institution and the mortgage is cleared.

What Capital Acquisition Tax liability will arise?
Patricia does not receive the sum insured and the mortgage is cleared by the policy. The payment of the sum insured does not lead to a CAT liability for Patricia, provided the full sum insured pays off the mortgage. However, Patricia is deemed to inherit half of the property, as it is held as joint tenants, and a CAT liability arises. The house is valued at €350,000 and Patricia is treated as a stranger for inheritance tax purposes as she was not married to Peter. Patricia is now faced with a large inheritance tax bill.

She is therefore liable for inheritance tax as follows:

- €175,000 less €20,000 (Group Threshold C) = €155,000 (assuming Patricia has not previously inherited anything under this threshold)
- CAT. @ 33% = €155,000 x 33% = €51,150

Note that if Patricia did not made any contribution to the cost of the property, she will be deemed to inherit the whole of the property, which would lead to an even larger CAT liability of €108,900.

Solution
A Level Term Insurance policy can be used to cover a potential tax arising on the inheritance of the house, and other assets that are passed between a co-habiting couple. Both co-habitants can take out policies of life insurance on each other's lives. This is typically referred to a 'Life of Another'. It is key that each partner pays the premiums for the policy they own which will mean no inheritance tax arises on the policies.

Useful glossary of terms

Absolute	Interest Full & complete ownership of property.
Agricultural Value	The market value of agricultural property reduced by 90% of that value.
Beneficiary	Person entitled to benefit from a gift or inheritance.
Bequest	Personal property passing under a will.
Co-habitant	A co-habitant is one of two adults, who can either be of the same or opposite sex, who live together as a couple in an intimate and committed relationship and who are not related to each other within the prohibited degrees of relationship, or married to each other, or civil partners of each other.
Deed	A written document that makes it clear on its face that it is intended to be a deed and is validly executed as a deed.
Disponer	The person who provided the gift or inheritance.
Disposition	Mode by which property passes i.e. will or intestacy, deed.
Donee	Person who receives a gift.
Executor	Person appointed by a will to administer a deceased person's estate. This person has the authority to act from the date of death. Any other person only has the authority to act when a Grant of Administration is obtained.
Favourite Nephew/Niece	A nephew or niece who is entitled to a Group A threshold in respect of business assets (see page 6 - Reliefs).
Grant of Administration	Grant of Representation where there is no will, i.e. where a person has died intestate.
Grant of Probate	Grant of Representation where there is a will.
Grant of Representation	Either a Grant of Probate or Grant of Administration issued by the court to personal representatives to administer the estate of the deceased person. This acts as an assurance to financial institutions that the assets of the deceased can be placed safely in the hands of the person named as Personal Representative in the grant. The Personal Representatives must apply to the Probate Office in order to get legal confirmation of his or her appointment.
Group Threshold	A person's tax free threshold for gift/inheritance tax.
Incumbrance-Free Value	The value of the benefit after deduction of attaching liabilities, costs and expenses.

Intestacy	Dying without having provided a will.
Joint Tenancy	The ownership of property by two or more persons having the same interest in the whole property, without any separate shares. On the death of one joint tenant the surviving joint tenant receives the share.
Legacy	Personal property passing by will.
Lineal Ancestor	Parent, grandparent, greatgrandparent, great greatgrandparent, etc.
Lineal Descendant	Child, grandchild, great-grandchild.
Nominated Property	Any property which the deceased person placed in the name of another person for their benefit on death. The property passes directly to that person in accordance with the rules/regulations under which it was invested and does not pass to the personal representatives of the deceased to be distributed according to will or intestacy.
Pecuniary Bequest	Money passing under a will.
Personal Representative	The person responsible for finalising a deceased's affairs.
Power of Revocation	Where a gift is given in the lifetime of a disponer and the right to revoke that gift is retained i.e. take it back at any time.
Registered Civil Partner	A civil partner is either of two persons of the same sex who are parties to a civil partnership registration that has not been dissolved or the subject or a decree of nullity.
Residue	The portion of a deceased's estate that remains after all debts and legacies have been satisfied.
Settlement	An instrument by which land or other property is settled.
Settlor	The person by whom a settlement of land or other property is made by either deed or will.
Successor	Person who receives an inheritance.
Testator	Person who makes a will.
Trustee	Person who holds property on trust for another.
Valuation Date	The valuation date is the date on which the market value of the property comprising the gift/ inheritance is established.
Will	Declaration made by a person (testator) providing for the declaration of his/her property after death.

Further information

If you have a query on any of the information contained within this booklet, please feel free to contact our Technical Services Team or your Zurich Life Broker Consultant.

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Further information on Capital Acquisitions Tax (CAT) may be obtained from:

Revenue Commissioners
Capital Acquisitions Tax Unit
9/15 Upper O'Connell Street
Dublin 1
D01 YT32.

Tel. 01 738 3673

Note/Disclaimer:

The tax and legislative information contained in this guide is based on Zurich Life's understanding of current Capital Acquisitions Tax (C.A.T.) practices as at November 2024 may change in the future. Capital Acquistions Tax is a complex area so for any specific client inheritance/gift tax queries, specialised taxation advice should be sought from a qualified tax adviser.

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The information contained herein is based on Zurich Life's understanding of current Revenue practice as at January 2025 and may change in the future.

Intended for distribution within the Republic of Ireland.

GR: 9095 Print Ref: ZL CG 77 0125

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