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## SCHEDULES

### SCHEDULE 15

#### INHERITANCE TAX: INCREASED NIL-RATE BAND

- 7 (1) Section 8H (meaning of “qualifying residential interest”) is amended as follows.
- (2) In the heading, at the end insert “, “ qualifying former residential interest ” and “residential property interest” ”.
- (3) In subsection (1), for “and 8F” substitute “ to 8FE and section 8M ”.
- (4) In subsection (2), for “In this section” substitute “ A ”.
- (5) After subsection (4) insert—
- “(4A) Subsection (4B) or (4C) applies where—
- (a) a person disposes of a residential property interest in a dwelling-house on or after 8 July 2015 (and before the person dies), and
- (b) the person's personal representatives nominate—
- (i) where there is only one such dwelling-house, that dwelling-house, or
- (ii) where there are two or more such dwelling-houses, one (and only one) of those dwelling-houses.
- (4B) Where—
- (a) the person—
- (i) disposes of a residential property interest in the nominated dwelling-house at a post-occupation time, or
- (ii) disposes of two or more residential property interests in the nominated dwelling-house at the same post-occupation time or at post-occupation times on the same day, and
- (b) the person does not otherwise dispose of residential property interests in the nominated dwelling-house at post-occupation times, the interest disposed of is, or the interests disposed of are, a qualifying former residential interest in relation to the person.
- (4C) Where—
- (a) the person disposes of residential property interests in the nominated dwelling-house at post-occupation times on two or more days, and
- (b) the person's personal representatives nominate one (and only one) of those days,
- the interest or interests disposed of at post-occupation times on the nominated day is or are a qualifying former residential interest in relation to the person.
- (4D) For the purposes of subsections (4A) to (4C)—

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- (a) a person is to be treated as not disposing of a residential property interest in a dwelling-house where the person disposes of an interest in the dwelling-house by way of gift and the interest is, in relation to the gift and the donor, property subject to a reservation within the meaning of section 102 of the Finance Act 1986 (gifts with reservation), and
  - (b) a person is to be treated as disposing of a residential property interest in a dwelling-house if the person is treated as making a potentially exempt transfer of the interest as a result of the operation of section 102(4) of that Act (property ceasing to be subject to a reservation).
- (4E) Where—
- (a) a transfer of value by a person is a conditionally exempt transfer of a residential property interest, and
  - (b) at the time of the person's death, no chargeable event has occurred with respect to that interest,
- that interest may not be, or be included in, a qualifying former residential interest in relation to the person.
- (4F) In subsections (4B) and (4C) “post-occupation time” means a time—
- (a) on or after 8 July 2015,
  - (b) after the nominated dwelling-house first became the person's residence, and
  - (c) before the person dies.
- (4G) For the purposes of subsections (4A) to (4C), if the disposal is under a contract which is completed by a conveyance, the disposal occurs at the time when the interest is conveyed.”

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- Sch. 19 para. 12(5)(b) inserted by [2017 c. 32 Sch. 14 para. 49\(2\)\(c\)](#)
- Sch. 19 para. 12(5)(a) word inserted by [2017 c. 32 Sch. 14 para. 49\(2\)\(b\)](#)
- Sch. 19 para. 51(8)(b) words inserted by [2017 c. 32 Sch. 14 para. 48\(2\)](#)
- Sch. 19 para. 53(1) words inserted by [2017 c. 32 Sch. 14 para. 48\(4\)\(a\)](#)
- Sch. 19 para. 53(1) words inserted by [2017 c. 32 Sch. 14 para. 48\(4\)\(b\)](#)
- Sch. 19 para. 12(5)(a) words renumbered as Sch. 19 para. 12(5)(a) by [2017 c. 32 Sch. 14 para. 49\(2\)\(a\)](#)
- Sch. 19 para. 58(1) words substituted by [2017 c. 32 Sch. 14 para. 48\(5\)](#)
- Sch. 20 para. 1(4)(e) inserted by [2021 c. 26 Sch. 27 para. 47\(2\)](#)
- Sch. 20 para. 3(3)(d) and word inserted by [2021 c. 26 Sch. 27 para. 47\(3\)\(b\)](#)
- Sch. 20 para. 5(5) inserted by [2021 c. 26 Sch. 27 para. 47\(5\)](#)
- Sch. 22 para. 2(4B) inserted by [2021 c. 26 Sch. 27 para. 48\(2\)\(c\)](#)
- Sch. 22 para. 3(4A) inserted by [2021 c. 26 Sch. 27 para. 48\(3\)](#)