



**CAPITAL ACQUISITIONS TAX**  
**BUSINESS RELIEF UNDER**  
**PART VI OF THE FINANCE ACT, 1994**  
**For Gifts/Inheritances taken on or after 6 December, 2000 only.**



**Please read the notes below before completing this form**

**General**

1. This form should accompany the Gift/Inheritance Tax Self-Assessment Return (i.e. form I.T.38).
2. Before completing the form you may like to consult the Capital Acquisitions Tax Business Relief Booklet (CAT 4).
3. The questions in Parts 2 to 6 relate only to "relevant business property" consisting of:
  - a business or interest in a business i.e. a sole trader business or partnership interest; or
  - unquoted shares or securities.
4. The questions in Part 7 should only be completed where relief is also being claimed in respect of a simultaneous gift or inheritance of qualifying land, buildings, plant or machinery (i.e. within the meaning of section 127(1)(e) of the Finance Act, 1994).
5. If the gift or inheritance consists of more than one type of "relevant business property" (e.g. where a business and unquoted shares are taken) a **separate form** should be completed in respect of each type.

**Calculation of "Taxable Value"**

6. The taxable value referred to in this form, except the taxable value referred to at paragraph 7 of Part 8, is the value after deducting liabilities and consideration but before deducting business relief. However, where a sole-trader business or partnership interest and other property are comprised in the one acquisition the following rules apply in relation to the apportionment of liabilities and consideration for the purposes of the relief:
  - the entire amount of any liabilities incurred for the purposes of the business must be deducted from the value of the business property,
  - a liability which is an encumbrance on the business property must be deducted from the value of the business property,
  - other liabilities should, as far as possible, be deducted from the value of the other property,
  - consideration paid should, as far as possible, be deducted from the value of the other property, or, in so far as the interest taken in the other property is a limited interest from the value of the limited interest.

**PART 1 GENERAL INFORMATION**

Answer all questions.

1. Name of Disposer  PPS No.
2. Name of Beneficiary  PPS No.
3. Date of Gift/Inheritance
4. Is the relevant business property: Tick (✓) appropriate box and insert the values attributable to that property prior to the relief.

☐ a business or an interest in a business i.e. of a sole trader or of a partnership?

Value

Liabilities and Consideration

Taxable value

☐ unquoted shares or securities of a company whether incorporated in the State or otherwise and carrying on a business?

Value

Liabilities and Consideration

Taxable value
5. Where the relevant business property consists of unquoted shares or securities please indicate whether the beneficiary on the valuation date and **after** taking the gift or inheritance: Tick (✓) appropriate box.

☐ controlled more than 25% of the voting rights relating to all questions affecting the company as a whole; or

☐ controlled the company within the meaning of section 16 of the Capital Acquisitions Tax Act, 1976; or

☐ owned 10% or more of the aggregate nominal value of all the issued shares and securities of the company and had worked full-time in a managerial or technical capacity in the company (or in the case of a group, for any company or companies in the group) throughout the period of 5 years ending on the date of the gift or inheritance?

**PART 2 DETAILS OF THE BUSINESS**

Answer all questions.

6. Name and location of business
7. Description of the business

**PART 3 MINIMUM OWNERSHIP PERIOD**

Answer either question 8 or question 9, as appropriate.

Tick (✓) or  
complete  
as appropriate.

Yes

No

8. In the case of an **inheritance taken on the death of the donor** was the relevant business property in the beneficial ownership of the donor or his or her spouse or comprised in the disposition for periods which together comprised the 2 years immediately prior to the date of the inheritance?
9. In the case of a **gift or inheritance other than an inheritance taken on the death of the donor** was the relevant business property in the beneficial ownership of the donor or his or her spouse or comprised in the disposition for periods which together comprised the 5 years immediately prior to the date of the gift or inheritance?

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If your answer to either question 8 or to question 9 was “yes” proceed now to Part 6.

However, if your answer was “no” and the gift or inheritance being taken consists of replacement property:

- proceed to Part 4 if the benefit is not “successive benefit” i.e. a benefit to which section 131 of the Finance Act, 1994, applies, or
- proceed to Part 5 if the benefit is a “successive benefit”.

**PART 4 DETAILS OF REPLACEMENT PROPERTY**

Only to be completed if the answer to either question 8 or question 9 was “no”.  
Answer either question 10 or 11, answer question 12 and, if relevant, answer question 13.

10. In the case of an **inheritance taken on the death of the donor** were the replacement property and the replaced property in the beneficial ownership of the donor or his or her spouse or comprised in the disposition for periods which together comprised at least 2 years out of the 3 year period immediately preceding the date of the inheritance?
11. In the case of a **gift or inheritance other than an inheritance taken on the death of the donor** were the replacement property and the replaced property in the beneficial ownership of the donor or his or her spouse or comprised in the disposition for periods which together comprised at least 5 years out of the 6 year period immediately preceding the date of the gift or inheritance?
12. Would the replaced property have qualified as relevant business property apart from the minimum ownership period in relation to the gift or inheritance had the gift or inheritance been taken immediately prior to the replacement?
13. If the answer to questions 10 or 11 and 12 is “yes” and the value of the replacement property exceeded the value of the property it replaced, what part of the value of the replacement property is not eligible for relief? Please attach computations.

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Proceed to Part 6.

**PART 5 SUCCESSIVE BENEFITS**

Only to be completed if the answer to either question 8 or 9 was “no”.  
Answer all questions.

14. When the donor, or the donor's spouse, took the earlier gift or inheritance of the property would that property have qualified for business relief at the time it was so taken (assuming such relief were available at that time)?
15. Between the date of the earlier gift or inheritance and the date the donor died was the property the subject matter of the earlier gift or inheritance replaced by the relevant business property which is the subject of the current gift or inheritance?

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If the answer to questions 14 and 15 is “yes” and the value of the replacement property exceeded the value of the property it replaced, what part of the value of the replacement property is not eligible for relief? Please attach computations.

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16. Was the taxable value attributable to the earlier gift or inheritance less than its full value?

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If “yes”, what part of the value of the current benefit is not eligible for relief? Please attach computations.

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Proceed to Part 6.

**PART 6 EXCEPTED ASSETS AND AGRICULTURAL PROPERTY****Question 19 to be answered in all cases.**Tick (✓) or  
complete  
as appropriate.

17. Is any part of the taxable value attributable to:

Yes No

(i) assets not used wholly or mainly for the purposes of the business concerned or for the purposes of the business of a subsidiary or associated company throughout the period of 2 years immediately prior to the gift or inheritance or, if acquired within that 2 year period, since the date of acquisition;

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(ii) assets used wholly or mainly for the personal benefit of the donor or of a relative of the donor at any time during the period of 2 years immediately prior to the gift or inheritance or, if acquired within that 2 year period, since the date of acquisition?

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If "yes", please furnish details on a separate sheet and then state what part of the taxable value of the relevant business property is attributable to the value of the excepted assets.

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18. (a) Is any part of the taxable value attributable to any new business acquired by a company or by a company within the same group within the minimum ownership period?

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(b) If your answer to (a) is "yes", does the new business qualify under the replacement property rules?

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(c) If your answer to (b) is "yes" and the value of the new business exceeded the value of the property it replaced, what part of the value of the new business is not eligible for relief? Please attach computations.

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(d) If your answer to (b) is "no", please furnish details on a separate sheet and then state what part of the taxable value of the relevant business property is attributable to the value of the new business.

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19. Is any part of the taxable value attributable to property qualifying for Agricultural Relief?

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If yes, state value and furnish details.

€ **PART 7 LAND, BUILDINGS, PLANT AND MACHINERY**

**Complete this Part only if you wish to claim relief in respect of any land, buildings, plant or machinery within the meaning of section 127(1)(e) of the Finance Act, 1994. It is important to note that to qualify for the relief the land, buildings, plant and machinery (within that meaning) must be taken as a gift or inheritance by the same beneficiary from the same donor subject to certain exceptions where settled land is concerned (see Section 127(7) and (8)) at the same time as the relevant business property referred to in question 4 is being taken.**

**Answer all questions.**

20. In the case of land, buildings, plant or machinery and, where appropriate, any replaced land, buildings, plant or machinery:

(i) was it (were they) in the beneficial ownership of the donor and used wholly or mainly for the purposes of the business concerned:

(a) for the period laid down in question 8 or 9? or

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(b) if the replacement property rules apply for the period laid down in question 10 or 11?, or

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(c) if the successive benefits rule applies throughout the period between the earlier benefit and the subsequent benefit or throughout the part of that period during which it or they were in the beneficial ownership of the donor or his or her spouse?;

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(ii) is it (are they) being taken by the same beneficiary from the same donor at the same time as the partnership interest or the shares or securities referred to in question 4?

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21. What is the taxable value attributable to the land, buildings, plant or machinery on which relief is claimed?

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22. In cases where the land, buildings, plant or machinery replaced other land, buildings, plant or machinery and the value of the replacement property exceeded the value of the property it replaced, what part of the value of the replacement property is not eligible for relief? Please attach computations.

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23. Where, in the case of a successive benefit, the taxable value of the earlier gift or inheritance was less than its market value, what part of the current benefit is not eligible for relief? Please attach computations.

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**PART 8 CALCULATION OF RELIEF**

**This Part must be completed in all cases.**

**The purpose of this Part is to calculate the taxable value of the relevant business property after business relief so that the appropriate figure can be carried through to the form I.T.38.**

1. Taxable value attributable to relevant business property **before** relief (*insert the sum of the taxable values in questions 4 and 21*). €  (A)
2. If any part of the value at (A) is attributable to excepted assets or property qualifying for Agricultural Relief (*see questions 17, 18 (d) and 19*) state the value so attributable.\* €  (B)
3. Value of the relevant business property attributable to non-excepted assets and excluding property qualifying for Agricultural Relief ((A) - (B)). €  (C)
4. If any part of the value at (C) is not eligible for relief under the replacement property or successive benefits rules state the value not eligible (*insert the sum of the values in questions 13, 15, 16, 18, 22 and 23*). €  (D)
5. Value of the relevant business property on which relief will be granted ((C) - (D)). €  (E)
6. Amount of relief i.e. 90% of (E). €  (F)
7. Taxable value attributable to relevant business property **after** relief ((A) - (F)). *The figure at (G) should be inserted in the form I.T.38 (at Part 9, item 11).* €  (G)

\* In the case of unquoted shares or securities the figure to be inserted here (paragraph 2) should normally be the difference between the value of shares when the excepted assets are included in the valuation and the value of the shares or securities when the excepted assets are excluded from the valuation. The latter value is then to be inserted at paragraph 3.

**DECLARATION**

**This declaration must be signed in all cases.**

I DECLARE that the information given is true and complete and that no information relevant to my entitlement to the relief is omitted.

Signed

Capacity

*Beneficiary, Trustee, etc.*

Date

**RETURNS ARE SUBJECT TO AUDIT.  
PENALTIES MAY BE INCURRED FOR INCORRECT RETURNS.**

**Revenue** 