

Inheritance Tax (Updated 20.05.08)

Death Rate %	Lifetime Rate %	Chargeable Transfers	
		2008/09 £	2007/08 £
Nil	Nil	0 – 312,000*	0 – 300,000*
40	20	Over 312,000*	Over 300,000 *

*Potentially increased for surviving spouses or civil partners who die on or after 9 October 2007.

Reliefs:

Annual exemption	£3,000	Marriage - parent	£5,000
Small gifts	£250	- grandparent	£2,500
		- bride/groom	£2,500
		- other	£1,000

Reduced charge on gifts within seven years of death:

Years before death	0-3	3-4	4-5	5-6	6-7
% of death charge	100	80	60	40	20