The Inheritance Tax Account forms (IHT100) Project

International Tax

01 February 2019

HMRC are considering an annual refresh of the collection of Inheritance Tax Account (IHT100) forms.

The collection of Inheritance Tax Account (IHT100) forms, together with various supplementary pages, are used to tell HMRC about chargeable events when inheritance tax (IHT) is payable on a trust or a gift. In December, HMRC asked for information on existing issues or improvements to these forms with a view to making some short-term improvements to the forms by March 2019.

Areas on which HMRC requested comments included the possibility of introducing single event forms which would replace the need to complete an IHT100 and make it simpler to calculate the relevant tax charge, providing tailored guidance for each of the event forms, adding a new 18-25 trust event form following legislation changes in 2006 and simplifying the language used on the forms.

The ATT submitted comments including:

- Supporting a suggestion to move to single event forms, rather than the current process of assembling a number of subsidiary pages.
- Suggesting additional guidance for those completing forms for 18-25 trusts as the current guidance within IHT110 is limited.
- Expressing some reservations about attempting to simplify the language on the forms. Sometimes over-simplification can lead to technical inaccuracies.

The CIOT submitted comments including:

- Updating the IHT100D so that inclusion of the value of any non-relevant property on the date it was added to the Trust is required only in respect of 10

year charges arising before 18 November 2015 (reflecting the Finance (No.2) Act 2015 amendment after which these values are no longer required to calculate the effective rate of IHT).
- Suggesting a tailored IHT100WS form for each event (HMRC's worksheet for the calculations) rather than the present worksheet which combines all of the events on a single form.
- Querying why IHT returns for trusts need to be signed by all trustees (other non-IHT returns only require the signature of one trustee).

In future, HMRC intend to review the IHT100 forms on an annual basis. Any comments on the IHT100 process which can be fed in on future iterations are welcome to atttechnical@att.org.uk or technical@ciot.org.uk with the heading 'IHT100 project'.