

## Private client news - summer edition: inheritance tax reliefs could be the way forward

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HMRC are taking an aggressive stance on the availability (or lack of availability) of inheritance tax reliefs ( IHT) business property relief for active trading furnished holiday let businesses. Buoyed by success in a number of cases with poor fact patterns and for which relief should never have been claimed, HMRC's starting point seems to be that relief does not apply to any furnished holiday let business. The technical detail is complicated but such businesses need to be carefully reviewed. The ability to claim business property relief is significantly improved the closer the business is to a B&B or hotel or if it is part of a wider trading business.


Concerns have been expressed over the availability of IHT agricultural property relief for land held outside the UK in a post Brexit world. Relief was extended to land in the European Economic Area in 2009 in order to comply with a request from the European Commission. It is understood that, in reality, this made very little difference to most taxpayers who had tended to rely on business property relief, which had no such territorial limitation. We wait to see if Brexit will change the position.


# Authors

Claire Harris

PARTNER | LONDON

Private client and tax


 +44 20 7597 6586

 [claire.harris@withersworldwide.com](mailto:claire.harris@withersworldwide.com)

Patricia Milner

PARTNER | LONDON

Private client and tax

 +44 20 7597 6092

 [patricia.milner@withersworldwide.com](mailto:patricia.milner@withersworldwide.com)