

12.2 Inheritance tax: exemptions and reliefs

Estates above the nil rate band (including the transferable nil rate band where this applies) claiming exemptions and reliefs

Year of death ¹	2011-12		2012-13		2013-14		2014-15		2015-16		2016-17		2017-18	
	Number of estates	Amount (£m)	Number of estates	Amount (£m)	Number of estates	Amount (£m)	Number of estates	Amount (£m)	Number of estates	Amount (£m)	Number of estates	Amount (£m)	Number of estates	Amount (£m)
Estates below the nil rate band (including the transferable nil rate band where this applies)														
Charged at 0% (Nil Rate Band) ²	212,000	53,200	224,000	57,000	210,000	60,400	220,000	65,100	211,000	62,300	205,000	58,500	197,000	70,700
Charged at 0% (Transferable Nil Rate Band)	17,500	12,600	20,400	14,700	29,700	19,500	27,200	20,400	29,000	21,900	20,300	19,600	21,300	23,000
Estates above the nil rate band (including the transferable nil rate band where this applies)														
Net estate ³	34,600	30,300	38,400	33,200	45,500	38,400	45,400	41,300	47,900	41,200	50,900	41,900	74,600	60,200
Reliefs and exemptions set against assets ⁴														
Exemption for transfers between spouses or civil partners ⁵	15,500	9,370	17,000	10,300	22,400	13,500	18,600	11,200	19,600	11,400	18,600	9,740	36,400	20,200
Exemption for transfers to qualifying charities or registered clubs	7,790	1,800	8,370	2,110	8,990	2,190	9,500	2,610	9,970	3,050	9,890	1,770	11,700	2,760
Agricultural Property Relief	2,000	1,220	1,950	1,290	1,980	1,430	1,850	1,530	1,300	996	1,090	887	1,520	1,310
Business Property Relief	2,610	1,610	2,760	1,650	2,640	1,990	2,610	2,290	2,190	1,600	2,200	1,250	3,330	2,220
<i>of which relief on unquoted shares</i>	1,210	1,120	1,390	1,250	1,370	1,440	1,430	1,720	1,270	936	1,480	828	2,240	1,360
<i>of which other business property reliefs</i>	1,570	491	1,520	408	1,430	551	1,330	570	1,050	660	848	417	1,370	869
Relief on sale of land	3,530	101	2,340	71	2,250	64	3,310	108	4,190	150	5,930	251	9,750	494
Conditional exemption for heritage assets / Other reliefs and exemptions	656	848	730	247	989	378	887	728	816	393	1,170	227	848	555
Net chargeable value ⁶	27,700	15,500	30,300	17,600	33,100	19,400	35,400	22,900	36,400	23,800	41,100	28,000	52,800	33,200
Charged at 0% (Nil Rate Band)	27,700	7,320	30,300	8,090	33,100	8,770	35,400	9,630	36,400	9,830	41,100	11,600	52,800	13,700
Charged at 0% (Transferable Nil Rate Band)	6,130	1,510	7,090	1,750	8,130	2,040	9,950	2,570	10,600	2,810	13,000	3,530	15,800	4,070
Charged at 0% (Residence Nil Rate Band ⁷)	-	-	-	-	-	-	-	-	-	-	-	-	20,200	3,130
Charged at other rates ⁸	16,000	6,710	17,900	7,790	19,300	8,580	23,300	10,700	24,500	11,200	28,200	12,800	24,400	12,300
Tax liability														
Tax chargeable at 40% rate	16,000	2,690	16,400	2,850	17,500	3,160	21,700	3,960	22,500	4,070	26,200	4,770	22,200	4,510
Tax chargeable at the reduced 36% rate ⁹	0	0	1,560	241	1,790	249	1,560	297	2,020	350	2,020	323	2,250	357
Tax saved by estates as a result of paying the reduced 36% rate	0	0	1,560	27	1,790	28	1,560	33	2,020	39	2,020	36	2,250	40
Reliefs set against tax ¹⁰	559	35	643	40	539	35	572	50	549	40	675	44	795	82
Tax payable ¹¹	16,000	2,650	17,900	3,050	19,300	3,370	23,300	4,210	24,500	4,380	28,100	5,050	24,200	4,780

Source: Inheritance tax returns

Updated: July 2020

Table Notes:

¹ Data on estates passing on death in 2011-12 are as recorded on HMRC's databases by June 2014.

Data on estates passing on death in 2012-13 are as recorded on HMRC's databases by May 2015.

Data on estates passing on death in 2013-14 are as recorded on HMRC's databases by May 2016.

Data on estates passing on death in 2014-15 are as recorded on HMRC's databases by May 2017.

Data on estates passing in death on 2015-16 are as recorded on HMRC's databases by May 2018.

Data on estates passing in death on 2016-17 are as recorded on HMRC's databases by June 2019.

Data on estates passing in death on 2017-18 are as recorded on HMRC's databases by April 2020.

² Some estates below the nil rate band include only exempt assets or assets qualifying for relief worth 100% of the value of the asset, and are therefore not included in this row. Table 12.3 includes figures for all estates requiring a grant of representation. Estates not requiring a grant of representation are excluded from both tables. Note that any estate benefitting from the Transferable Nil Rate Band must also be benefitting from the Nil Rate Band: this is reflected in the figures.



- ³ Net estate is defined as the value of assets less the value of liabilities in the estate of the deceased person. Net chargeable value is the net estate value less than the value of any reliefs set against assets.
- ⁴ For reliefs and exemptions set against assets, the amount recorded is the full value of the relief set against assets in the estate, rather than the reduction in an estate's tax liability.
- ⁵ This table covers estates where details of the estates are notified to HMRC using Inheritance Tax returns. Inheritance Tax returns often do not need to be completed for estates where a person's assets are all left to their surviving spouse or civil partner. The total number of estates and assets benefiting from the exemption for transfers to surviving spouses or civil partners are therefore substantially higher than shown in this table.
- ⁶ The net chargeable value is greater than the total value of the net estate less the total value of the reliefs and exemptions as in some cases the value of reliefs and exemptions exceeds the net value of the estate.
- ⁷ The Residence Nil Rate Band (RNRB) was introduced in 2017-18 and is an additional tax-free threshold estates can use when passing their main residence to direct descendants. More information is available online: [HMRC Guidance: Work out and apply the RNRB for IHT](#)
- ⁸ Before any claims for relief set against tax: therefore these numbers will be slightly higher than the number of estates with a tax liability as recorded in Table 12.3.
- ⁹ The reduced rate of Inheritance Tax only applies to estates where the date of death is on or after 6 April 2012 and at least 10% of the estate is left to a qualifying charity.
- ¹⁰ Includes taper relief, quick succession relief, and double taxation relief
- ¹¹ The estimates of tax payable shown here do not match to the estimates for inheritance tax receipts shown in table 12.1 as they relate to liabilities and some of this tax will be received in subsequent years, whilst the tax receipts figures in table 12.1 show inheritance tax actually paid (some of which will relate to deaths occurring in earlier years).

Notes on the Table

- a) The amounts (£m) given above for the various reliefs and exemptions refer to the value of each relief or exemption that is being claimed, not the value of tax forgone as a result of this claim.
- b) Estimates of the costs of reliefs and exemptions are given in HMRC's Tax expenditures and effects of illustrative tax changes at [Tax relief statistics - Publications - GOV.UK](#)
[Direct effects of illustrative tax changes - Publications - GOV.UK](#)
- c) Further information on reliefs and exemptions is provided in the commentary [Inheritance Tax statistics: Commentary](#)
- d) Some of the figures may be under-estimates as information from tax returns for some estates may not have been received and recorded electronically by the time this statistical table was produced.

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