



The Inheritance Tax nil rate band and interest rates are subject to change.

For the most up-to-date information:

- go to www.gov.uk/inheritance-tax
- phone our helpline on 0300 123 1072
– if calling from outside the UK, phone +44 300 123 1072

Inheritance Tax nil rate bands

For transfers on death, the value of an estate above the nil rate band is taxed at the rate of 40%.

For lifetime transfers the rate is 20%.

From	To	Nil rate band
18 March 1986	16 March 1987	£71,000
17 March 1987	14 March 1988	£90,000
15 March 1988	5 April 1989	£110,000
6 April 1989	5 April 1990	£118,000
6 April 1990	5 April 1991	£128,000
6 April 1991	9 March 1992	£140,000
10 March 1992	5 April 1995	£150,000
6 April 1995	5 April 1996	£154,000
6 April 1996	5 April 1997	£200,000
6 April 1997	5 April 1998	£215,000
6 April 1998	5 April 1999	£223,000

From	To	Nil rate band
6 April 1999	5 April 2000	£231,000
6 April 2000	5 April 2001	£234,000
6 April 2001	5 April 2002	£242,000
6 April 2002	5 April 2003	£250,000
6 April 2003	5 April 2004	£255,000
6 April 2004	5 April 2005	£263,000
6 April 2005	5 April 2006	£275,000
6 April 2006	5 April 2007	£285,000
6 April 2007	5 April 2008	£300,000
6 April 2008	5 April 2009	£312,000
6 April 2009	onwards	£325,000

Excepted estate limits

From	To	£
1 April 1983	30 March 1987	£40,000
1 April 1987	31 March 1989	£70,000
1 April 1989	31 March 1990	£100,000
1 April 1990	31 March 1991	£115,000
1 April 1991	5 April 1995	£125,000
6 April 1995	5 April 1996	£145,000
6 April 1996	5 April 1998	£180,000
6 April 1998	5 April 2000	£200,000
6 April 2000	5 April 2002	£210,000
6 April 2002	5 April 2003	£220,000
6 April 2003	5 April 2004	£240,000
6 April 2004	onwards	*Inheritance Tax nil rate band

*Note

If the death is after 5 April but before 6 August in any one year and the grant of representation is applied for before 6 August of that year, the nil rate band from the previous tax year should be used to decide whether or not the estate is an excepted estate.

If the death is between 6 August and 5 April, the nil rate band to use for an excepted estate is the one that applies at the date of death.

Example

A Joan Brown died on 9 May 2006 and the grant was taken out on 21 July 2006. The correct nil rate band to use is £275,000.

B Dave Smith died on 7 June 2006 and the grant was taken out on 21 August 2006. The correct nil rate band to use is £285,000.

Date Inheritance Tax is due

Month person died	Tax is due date	Interest is charged from
January	31 July	1 August
February	31 August	1 September
March	30 September	1 October
April	31 October	1 November
May	30 November	1 December
June	31 December	1 January

Month person died	Tax is due date	Interest is charged from
July	31 January	1 February
August	28/29 February	1 March
September	31 March	1 April
October	30 April	1 May
November	31 May	1 June
December	30 June	1 July

Interest rates on Inheritance Tax calculations on death

Go to www.gov.uk/inheritance-tax for earlier dates.

Interest period

From	To	Days	Interest rate on payments of tax	Interest rate on repayments of tax
6 April 2025	to present	–	8.5%	3.5%
25 February 2025	5 April 2025	40	7%	3.5%
26 November 2024	24 February 2025	91	7.25%	3.75%
20 August 2024	25 November 2024	98	7.50%	4.00%
22 August 2023	19 August 2024	363	7.75%	4.25%
11 July 2023	21 August 2023	42	7.5%	4%
31 May 2023	10 July 2023	41	7%	3.5%
13 April 2023	30 May 2023	48	6.75%	3.25%
21 February 2023	12 April 2023	51	6.5%	3%
6 January 2023	20 February 2023	46	6%	2.5%
22 November 2022	5 January 2023	45	5.50%	2%
11 October 2022	21 November 2022	42	4.75%	1.25%
23 August 2022	10 October 2022	49	4.25%	0.75%
5 July 2022	22 August 2022	48	3.75%	0.5%
24 May 2022	4 July 2022	41	3.50%	0.5%
5 April 2022	23 May 2022	48	3.25%	0.5%
21 February 2022	4 April 2022	43	3%	0.5%
7 January 2022	20 February 2022	45	2.75%	0.5%
7 April 2020	6 January 2022	640	2.60%	0.5%
30 March 2020	6 April 2020	8	2.75%	0.5%
21 August 2018	29 March 2020	587	3.25%	0.5%
21 November 2017	20 August 2018	273	3%	0.5%
23 August 2016	20 November 2017	455	2.75%	0.5%
29 September 2009	22 August 2016	2,520	3%	0.5%
24 March 2009	28 September 2009	189	0%	0%
27 January 2009	23 March 2009	56	1%	1%
6 January 2009	26 January 2009	21	2%	2%
6 November 2008	5 January 2009	61	3%	3%
6 January 2008	5 November 2008	305	4%	4%
6 August 2007	5 January 2008	153	5%	5%
6 September 2006	5 August 2007	334	4%	4%

Interest rates on Inheritance Tax calculations on death continued

Go to www.gov.uk/inheritance-tax for earlier dates.

Interest period

From	To	Days	Interest rate on payments of tax	Interest rate on repayments of tax
6 September 2005	5 September 2006	365	3%	3%
6 September 2004	5 September 2005	365	4%	4%
6 December 2003	5 September 2004	275	3%	3%
6 August 2003	5 December 2003	122	2%	2%
6 November 2001	5 August 2003	638	3%	3%
6 May 2001	5 November 2001	184	4%	4%
6 February 2000	5 May 2001	455	5%	5%
6 March 1999	5 February 2000	337	4%	4%
6 October 1994	5 March 1999	1,612	5%	5%
6 January 1994	5 October 1994	273	4%	4%
6 December 1992	5 January 1994	396	5%	5%
6 November 1992	5 December 1992	30	6%	6%
6 July 1991	5 November 1992	489	8%	8%
6 May 1991	5 July 1991	61	9%	9%
6 March 1991	5 May 1991	61	10%	10%
6 July 1989	5 March 1991	608	11%	11%
6 October 1988	5 July 1989	273	9%	9%

From 26 November 2024 interest rates changed with the Bank of England base rate.

Go to www.gov.uk/inheritance-tax for the latest rate.