

YOUR GUIDE TO CAPITAL ACQUISITIONS TAX

A LAW SOCIETY OF IRELAND SERIES



What is Capital Acquisitions Tax (CAT)?

Capital Acquisitions Tax (CAT) is a tax on benefits, which can be:

- gifts from a living person, or
- inheritances from a deceased person.

The person receiving the benefit is called 'the beneficiary'.

Who pays CAT?

If you receive a gift or inheritance from your spouse or civil partner you do not have to pay tax. However, in all other situations, CAT will apply.

Group Thresholds

How much CAT you pay depends on your relationship to the person providing the benefit. Ask your solicitor to explain about the different group thresholds.

What tax exemptions or reliefs are available?

A number of exemptions and reliefs are available which can lower the amount of tax you have to pay. Ask your solicitor to explain about these.

When making a will, how can I plan to reduce the impact of CAT?

Proper planning can help minimise the tax that your beneficiaries have to pay. Ask your solicitor to explain:

- the tax reliefs and exemptions available,
- how you can divide up your property to use all available group thresholds, and
- how your beneficiaries can plan to fund the tax

More information

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