Capital Acquisitions Tax (CAT) thresholds, rates and aggregation rules

Overview

To calculate CAT, you need to know which threshold, tax rate and aggregation rules apply to a gift or inheritance. You also need to know two important dates:

- the date of the gift or inheritance, which determines the relevant threshold and rate of tax

  and
- the valuation date, which determines the relevant pay and file period.

This section explains the thresholds, tax rates and aggregation rules that apply to a gift or inheritance.

You must file a Capital Acquisitions Tax (CAT) IT38 Return if the total taxable value of the benefits taken exceeds 80% of the relevant group threshold. You must include all other taxable gifts or inheritances taken from any source within the same group threshold on, or after, 5 December 1991.

The total taxable value of benefits taken is calculated by aggregating the taxable value of:

- all previous gifts or inheritances taken within the same group threshold on, or after, 5 December 1991

  and
- the current gift or inheritance.

However, if you are claiming agricultural relief or business relief on a gift or inheritance, then you must file a CAT Return. This applies even if the total taxable value of your accumulated benefits does not exceed 80% of the relevant group threshold.