



AN COIMISIÚN UM ACHOMHAIRC CHÁNACH
TAX APPEALS COMMISSION

107TACD2026

Between

[REDACTED]

Appellant

and

The Revenue Commissioners

Respondent

Determination

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Introduction

1. This is an appeal to the Tax Appeals Commission (“the Commission”) pursuant to and in accordance with the provisions of section 949I of the Taxes Consolidation Act 1997 (“the TCA 1997”) brought on behalf of the Appellant in relation to a Capital Acquisitions Tax (“CAT”) Notice of Assessment (“the assessment”), dated 14 October 2025, raised by the Respondent in relation to a Form IT38S filed by the Appellant. The tax at issue in this appeal is in the amount of €21,415.
2. On 7 January 2026, the Appellant duly appealed the assessment to the Commission by submitting her Notice of Appeal. In the Notice of Appeal, the Appellant set out her grounds of appeal, as follows:

“Under Sections 30 and 31 CATCA 2003, the charge to CAT arises on the valuation date, defined as the date the successor first becomes beneficially entitled in possession and the value can be ascertained.

Revenue eBrief No. 164/20 and CAT Manual Part 5 (para 3.2) confirm that “the group threshold applicable is that in force at the valuation date, not the date of death.”

On 25 July 2025—the valuation date—the Class A threshold of €400,000 (enacted by Section 99 Finance Act 2024 for inheritances taken on or after 2 October 2024) was in force.

Accordingly, the taxable value is €54,569.71 and CAT of €18,008 is payable, not €39,458.

Through 'My Account' I set out the basis for application of the Class A threshold of €400,000 in a number of correspondences (Enquiry ID: 2510-108128) but [the Respondent] are in my view incorrectly maintaining that the 'date of inheritance' is the date of death and not the 'valuation date' when I first became beneficially entitled in possession and the value was ascertained.

Relief sought: That the TAC determine the €400,000 Class A threshold applies to this inheritance, with corresponding reduction of CAT liability and refund of any excess paid.”

3. On 13 March 2026, in accordance with section 949R TCA 1997, the Appellant filed a Statement of Case and on 9 March 2026, the Respondent filed its Statement of Case. On 12 May 2026, in accordance with section 949S TCA 1997, the Appellant filed her Outline of Arguments and on 3 June 2026, the Respondent filed its Outline of Arguments. On 3 June 2026, the Appellant filed supplemental submissions with the Commission. In

determining this appeal, the Commissioner has considered all of the documentation submitted by both parties to the appeal, including any additional submissions made following the receipt of the parties' Outline of Arguments.

4. The appeal proceeded by way of a physical hearing, commencing on 16 June 2026. The Appellant was represented by [REDACTED] ("the Appellant's agent"), and the Respondent was represented by junior counsel.
5. At the outset of the appeal hearing, the Appellant's agent confirmed that the Appellant wished for the appeal to proceed in private. Therefore, this Determination will be redacted prior to its publication, in accordance with section 949O TCA 1997.

Background

6. The Appellant is the daughter of the late [REDACTED] ("the Disponer"), who died on [REDACTED] April 2024.
7. On 10 October 2024, a Grant of Probate issued. The Appellant submitted that the estate comprised residential property and cash assets and required administration following the grant of probate. The estate property was sold, and estate liabilities, expenses and administration costs were discharged by the executors.
8. The Appellant submitted that as a result, the value of the Appellant's entitlement could not be finally determined until the administration of the estate had been completed.
9. On 25 July 2025, the Appellant received €454,569.71 from the estate. The Appellant filed a Form IT38 on the basis that the valuation date was 25 July 2025 and applied the €400,000 Class A threshold.
10. On 14 October 2025, the Appellant filed a self-assessed CAT Return Form IT38S electronically. On 14 October 2025, a CAT Notice of Acknowledgement of Assessment issued from the Respondent based on the Form IT38S filed by the Appellant. The Appellant set out on the Form IT38S the following information regarding the inheritance received:
 - 10.1. The date of gift/inheritance: 01/04/2024;
 - 10.2. The valuation date: 25/07/2025;
 - 10.3. The date of Disponer's Death: 01/04/2024;
 - 10.4. Taxable value of Gift/Inheritance: €454,569;
 - 10.5. Taxable Value of Prior Aggregable Benefits within this group: €0.

11. The Respondent submitted that the group threshold of €335,000 was auto generated by the Respondent's system by reference to the date of inheritance inserted into the Appellant's IT38S form and the amount of taxation due was calculated as 33% of the amount above the relevant threshold. Therefore, the total net tax payable was calculated in the amount of €39,458.
12. On 14 October 2025, the Appellant submitted an online query via MyEnquiries and requested that the computation of her CAT liability be amended to apply the Group A threshold amount of €400,000. The Respondent submitted that the Appellant was advised that the increase in thresholds was applicable only to a gift or inheritance dated on or after 2 October 2024 (section 99 of the Finance Act 2024 ("FA 2024")) and that the correct Group A threshold of €335,000, which applied on the relevant date, had been applied to the assessment of CAT on the Form IT38S.
13. Thereafter, correspondence ensued between the parties and on 7 January 2026, the Appellant duly appealed to the Commission by lodging a Notice of Appeal, claiming that the Class A threshold of €400,000 applied in relation to the said inheritance.
14. The Appellant argued that the assessment resulted in CAT of €39,458, compared with €18,008 under the Appellant's computation and that the disputed tax was paid without prejudice to the Appellant's right of appeal.

Legislation and Guidelines

15. The legislation relevant to this appeal is as follows:-
16. Section 2 Capital Acquisitions Tax Consolidation Act 2003 ("CATCA 2003"), General Interpretation, provides *inter alia* as follows:

Date of the inheritance" means—

- (a) *in the case where the successor or any person in right of the successor or on that successor's behalf becomes entitled in possession to the benefit on the happening of any such event as is referred to in section 3(2), the date of the event,*
- (b) *in the case of a gift which becomes an inheritance by reason of its being taken under a disposition where the date of the disposition is within 2 years prior to the death of the disponent, the date which would have been the date of the gift if the entitlement were a gift, and*

- (c) *in any other case, the date of the latest death which had to occur for the successor, or any person in right of the successor or on that successor's behalf, to become beneficially entitled in possession to the benefit,*

and a reference to the time when an inheritance is taken is construed as a reference to the date of the inheritance;

.....

"valuation date" has the meaning assigned to it by section 30;

17. Section 3 CATCA 2003, Meaning of "on a death", provides as follows:

- (1) *In this Act, "on a death", in relation to a person becoming beneficially entitled in possession, means –*

- (a) *on the death of a person or at a time ascertainable only by reference to the death of a person,*
- (b) *under a disposition where the date of the disposition is the date of the death of the disponer,*
- (c) *under a disposition where the date of the disposition is on or after 1 April 1975 and within 2 years prior to the death of the disponer, or*
- (d) *on the happening, after the cesser of an intervening life interest, of any such event as is referred to in subsection (2).*

- (2) *The events referred to in subsection (1)(d) are any of the following—*

- (a) *the determination or failure of any charge, estate, interest or trust,*
- (b) *the exercise of a special power of appointment,*
- (c) *in the case where a benefit was given under a disposition in such terms that the amount or value of the benefit could only be ascertained from time to time by the actual payment or application of property for the purpose of giving effect to the benefit, the making of any payment or the application of the property, or*
- (d) *any other event which, under a disposition, affects the right to property, or to the enjoyment of that property.*

18. Section 10 CATCA 2003, Inheritance deemed to be taken, provides *inter alia* that:

(1) *For the purposes of this Act a person is deemed to take an inheritance, where, under or in consequence of any disposition, a person becomes beneficially entitled in possession on a death to any benefit (whether or not the person becoming so entitled already has any interest in the property in which such person takes such benefit), otherwise than for full consideration in money or money's worth paid by such person.*

(2)

19. Section 30 CATCA 2003, Valuation date for tax purposes, provides *inter alia* that:

(1) *Subject to subsection (7), the valuation date of a taxable gift is the date of the gift.*

(2) *The valuation date of a taxable inheritance is the date of death of the deceased person on whose death the inheritance is taken if the successor or any person in right of the successor or on that successor's behalf takes the inheritance –*

(a) as a donatio mortis causa, or

(b) by reason of the failure to exercise a power of revocation.

(3)

(4) *The valuation date of a taxable inheritance, other than a taxable inheritance referred to in subsection (2) or (3), is the earliest date of the following:*

(a) the earliest date on which a personal representative or trustee or the successor or any other person is entitled to retain the subject matter of the inheritance for the benefit of the successor or of any person in right of the successor or on that successor's behalf,

(b) the date on which the subject matter of the inheritance is so retained, or

(c) the date of delivery, payment or other satisfaction or discharge of the subject matter of the inheritance to the successor or for that successor's benefit or to or for the benefit of any person in right of the successor or on that successor's behalf.

.....

20. Section 31 CATCA 2003, Distributions from a discretionary trust, provides *inter alia* that:

Where a person becomes beneficially entitled in possession to any benefit –

(a) under a discretionary trust, other than a discretionary trust referred to in paragraph (b), otherwise than for full consideration in money or money's worth paid by the person, that person is deemed to have taken a gift,

(b) under a discretionary trust created –

(i) by will at any time,

(ii) by a disposition, where the date of the disposition is on or after 1 April 1975 and within 2 years prior to the death of the disponent, or

(iii) by a disposition inter vivos and limited to come into operation on a death occurring before, on or after the passing of this Act

otherwise than for full consideration in money or money's worth paid by the person, that person is deemed to have taken an inheritance.

21. Schedule 2 CATCA 2003, Computation of Tax, Part 1 Preliminary, provides as follows:

(1) In this Schedule –

"group threshold", in relation to a taxable gift or a taxable inheritance taken on a particular day, means –

(a) €335,000, where –

(i) the donee or successor is on that day –

(I) the child, or the minor child of a deceased child, of the disponent,

(II) the child of the civil partner of the disponent, or minor child of a deceased child of the civil partner of the disponent,

(III) the minor child of the civil partner of a deceased child of the disponent, or

(IV) the minor child of the civil partner of a deceased child of the civil partner of the disponent,

or

.....

22. Section 99 FA 2024, Amendment of Schedule 2 to Principal Act (computation of tax), Part 1 Preliminary, provides as follows:

(1) *Schedule 2 to the Principal Act is amended in paragraph 1 of Part 1, in the definition of "group threshold" –*

(a) *in paragraph (a), by the substitution of "€400,000" for "€335,000",*

.....

(2) *Subsection (1) applies to gifts and inheritances taken on or after 2 October 2024.*

Submissions

Appellant's submissions

23. The Commissioner sets out hereunder a summary of the submissions made by the Appellant both at the hearing of the appeal by the Appellant's agent and the documents submitted in support of her appeal:

23.1. The issue in this appeal concerns the meaning of an application of section 99 FA 2024, which provides that an increased Class A threshold applies to inheritances taken on or after 2 October 2024.

23.2. The Appellant accepted that section 2 CATCA 2003 contains the definition of "date of inheritance" and that the Respondent relies on that definition in support of its position that the pre-Budget threshold applies. However, the Appellant noted that the CAT code also contains separate provisions concerning beneficial entitlement in possession and valuation date, including section 10 and section 30 CATCA 2003. The Appellant submitted that the legislation contains a number of distinct time concepts and that section 99 FA 2024 does not expressly address how those provisions interact when determining the applicable threshold. There is reference "*taken on or after 2 October 2024*". Hence, there is ambiguity.

23.3. The Appellant understood the threshold for €400,000 to apply, in circumstances where the benefit became capable of possession at valuation and valued after 2 October 2024. If the legislator intended the date of death to be determinative of time, it could have expressly said so. It specifically and deliberately said "*taken on or after 2 October 2024*" and that was when the benefit was taken.

23.4. The Appellant accepted that the "date of the inheritance", as defined in section 2 CATCA 2003, is distinct from the date upon which a successor becomes beneficially entitled in possession to the inherited property. This distinction was expressly recognised by the Appeal Commissioner in *10TACD2017* and subsequently by the High Court in *Deane v Revenue Commissioners* [2018] IEHC 519 ("*Deane*"). The Appellant submitted that this appeal raised a different issue,

namely whether the threshold introduced by section 99 FA 2024 applied where the valuation date occurred after 2 October 2024.

23.5. In relation to section 30 CATCA 2003, the legislation recognises “valuation date” distinct from “date of inheritance”. While the Respondent submitted that the valuation date is relevant only for valuation and filing purposes, the Appellant contended that the Commissioner must consider the interaction between the valuation date provisions and the threshold provisions when construing section 99 FA 2024 and Schedule 2 CATCA 2003. The threshold introduced by section 99 FA 2024 applies where the valuation date occurred after 2 October 2024.

23.6. The Appellant confirmed that she was not relying on section 31 CATCA 2003.

Respondent’s submissions

24. The Commissioner sets out a summary hereunder of the submissions made by counsel for the Respondent, both at the hearing of the appeal and in the documents submitted in support of this appeal:

24.1. The issue to be determined in this appeal is whether the Class A threshold of €335,000 applied to the inheritance received by the Appellant. Paragraph 1 of Part 1 of Schedule 2 CATCA 2003 provides three Group thresholds that apply in relation to a taxable gift or a taxable inheritance. There was no dispute between the parties that the Group A threshold applied to the Appellant.

24.2. The burden of proof in this appeal is on the Appellant, and reference was made to the judgement in *Menolly Homes Ltd v Appeal Commissioners and another* [2010] IEHC 49 (“*Menolly Homes*”). In relation to statutory interpretation, reference was made to the judgment in *Perrigo Pharma International Designated Activity Company v McNamara, the Revenue Commissioners, the Minister for Finance, Ireland and the Attorney General* [2020] IEHC 552 (“*Perrigo*”).

24.3. In Budget 2025, the Group A threshold was increased from €335,000 to €400,000 and was given statutory effect by section 99(1) FA 2024 which amended paragraph 1 of Part 1 of Schedule 2 CATCA 2003. The section does not have retrospective effect. Section 99(2) FA 2024 provides that the changes contained in subsection 1 of section 99 apply to gifts and inheritances taken on or after 2 October 2024.

24.4. Section 118(5) FA 2024 provides that Part 5 “*shall be construed together with the Capital Acquisitions Tax Consolidation Act 2003 and the enactments amending*

or extending that Act." Thus, in construing the meaning of Part 5, it is also necessary to have regard to the provisions of CATCA 2003.

- 24.5. The reference to a 'particular day' in Paragraph 1 of Part 1 of Schedule 2 CATCA 2003, provides a point in time to test the status of the relationship between the parties. If, on a particular day, the parties are related by way of any of the categories set out in subparagraph (a) of paragraph 1, the Group A threshold applies. In the context of an inheritance 'taken' on a particular day, paragraph 1 applies the Group threshold by reference to the relationship status at the date of the inheritance, i.e. the date the inheritance was taken.
- 24.6. The "date of the inheritance" in the Appellant's case falls under subsection (c) i.e. the date of the death of the Disposer. Section 2 CATCA 2003, under "date of the inheritance", specifically states that "*a reference to the time when an inheritance is taken is construed as a reference to the date of the inheritance*".
- 24.7. In the Appellant's Notice of Appeal, it referred to the Respondent's CAT Manual ("the manual") and Part 5, paragraph 3.2 was referenced. Part 5 of the manual also relates to discretionary trusts. There is no paragraph 3.2. and nowhere in any the manual does it state what is referred to by the Appellant, namely "*The group threshold applicable is that in force at the valuation date, not at the date of death.*"
- 24.8. The valuation date is the date which the market value of the property, or the benefit, comprised in a gift or inheritance, is determined and the CAT becomes payable. Reference was made to determination 49TACD2022 which concerned a dispute about when the valuation date was, and at paragraph 29 the Appeal Commissioner stated:
- "Compliance with CAT is firmly centred on the concept of the valuation date which determines when the return needs to be filed and the CAT paid."*
- 24.9. That is a different concept to the "date of inheritance", which is defined expressly. Section 30 CATCA 2003 merely provides for the later date at which the inheritance is valued and payable. It does not alter when the inheritance is taken which is relevant for the applicable group threshold at that particular time.
- 24.10. If what the Appellant contended was correct, which the Respondent contends is simply not correct as it is expressly said in the legislation, but if it was, the minor child of a deceased child could on the date of death be a minor but could reach majority by the time they receive their benefit. So, on the 'particular day', is the date of death and that is expressly and clearly defined in the legislation.

Material Facts

25. Having read the documentation submitted and having listened to the oral submissions and evidence adduced at the hearing of the appeal, the Commissioner makes the following findings of material fact:

- 25.1. The Appellant is the daughter of the Disponer, who died on ■ April 2024.
- 25.2. On 10 October 2024, a Grant of Probate issued.
- 25.3. On 25 July 2025, the Appellant received €454,569.71 from the estate.
- 25.4. On 14 October 2025, the Appellant filed a self-assessed CAT Return Form IT38S electronically.
- 25.5. The Appellant filed a Form IT38S on the basis that the valuation date was 25 July 2025 and applied the €400,000 Class A threshold.
- 25.6. The Appellant set out on the Form IT38S the following information regarding the inheritance received:
 - 25.6.1. The date of gift/inheritance: 01/04/2024;
 - 25.6.2. The valuation date: 25/07/2025;
 - 25.6.3. The date of Disponer's Death: 01/04/2024;
 - 25.6.4. Taxable value of Gift/Inheritance: €454,569;
 - 25.6.5. Taxable Value of Prior Aggregable Benefits within this group: €0.
- 25.7. On 14 October 2025, a CAT Notice of Acknowledgement of Assessment issued from the Respondent based on the Form IT38S filed by the Appellant.
- 25.8. The Respondent submitted that the Group A threshold of €335,000 was auto generated by the Respondent's system by reference to the date of inheritance inserted into the Appellant's IT38S form and the amount of taxation due was calculated as 33% of the amount above the relevant threshold, being €335,000.
- 25.9. The total net tax payable was calculated in the amount of €39,458.
- 25.10. On 14 October 2025, the Appellant submitted an online query via MyEnquiries and requested that the computation of her CAT liability be amended to apply the Group A threshold amount of €400,000.
- 25.11. The Appellant was advised that the increase in thresholds was applicable only to a gift or inheritance dated on or after 2 October 2024 (section 99 FA 2024) and

that the correct Group A threshold of €335,000 which applied on the relevant date had been applied to the assessment of CAT on the Form IT38S.

25.12. On 7 January 2026, the Appellant lodged a Notice of Appeal claiming that the Class A threshold of €400,000 applied in relation to the inheritance.

Analysis

The burden of proof

26. The appropriate starting point for the analysis of the issues in this appeal is to confirm that in an appeal before the Commission, the burden of proof rests on the Appellant, who must prove on the balance of probabilities that an assessment to tax is incorrect. This proposition is now well established by case law, for example in the High Court case of *Menolly Homes* at paragraph 22, Charleton J. stated that:

“The burden of proof in this appeal process is, as in all taxation appeals, on the taxpayer. This is not a plenary civil hearing. It is an enquiry by the Appeal Commissioners as to whether the taxpayer has shown that the relevant tax is not payable”.

27. The law regarding the burden of proof and the reasons for it has been reaffirmed in recent subsequent judgments, such as *McNamara v Revenue Commissioners* [2023] IEHC 15, *Quigley v Revenue Commissioners* [2023] IEHC 244 and *J.S.S., J.S.J., T.S., D.S. and P.S. v A Tax Appeal Commissioner* [2025] IECA 96.

28. However, it is important to state that when an appeal relates to the interpretation of the law only, Donnelly J. and Butler J. clarified the approach to the burden of proof, in their joint judgment for the Court of Appeal in *Hanrahan v The Revenue Commissioners* [2024] IECA 113. At paragraphs 97-98, the Court of Appeal held that:

“97. Where the onus of proof lies can be highly relevant in those cases in which evidential matters are at stake.....

98. In the present case however, the issue is not one of ascertaining the facts; the facts themselves are as found in the case stated. The issue here is one of law;....Ultimately when an Appeal Commissioner is asked to apply the law to the agreed facts, the Appeal Commissioner’s correct application of the law requires an objective assessment of what the law is and cannot be swayed by a consideration of who bears the burden. If the interpretation of the law is at issue, the Appeal Commissioner must apply any judicial precedent interpreting that provision and in the absence of

precedent, apply the appropriate canons of construction, when seeking to achieve the correct interpretation.....”

Statutory Interpretation

29. In relation to the relevant decisions applicable to the interpretation of taxation statutes, the Commissioner gratefully adopts the following summary of the relevant principles emerging from the judgment of McKechnie J. in the Supreme Court in *Dunnes Stores v The Revenue Commissioners* [2019] IESC 50 and the judgment of O'Donnell J. in the Supreme Court in *Bookfinders v The Revenue Commissioners* [2020] IESC 60, as helpfully set out by McDonald J. in the High Court in *Perrigo* at paragraph 74:

“The principles to be applied in interpreting any statutory provision are well settled. They were described in some detail by McKechnie J. in the Supreme Court in Dunnes Stores v. The Revenue Commissioners [2019] IESC 50 at paras. 63 to 72 and were reaffirmed recently in Bookfinders Ltd. v The Revenue Commissioner [2020] IESC 60. Based on the judgment of McKechnie J., the relevant principles can be summarised as follows:

(a) If the words of the statutory provision are plain and their meaning is self-evident, then, save for compelling reasons to be found within the Act as a whole, the ordinary, basic and natural meaning of the words should prevail;

(b) Nonetheless, even with this approach, the meaning of the words used in the statutory provision must be seen in context. McKechnie J. (at para. 63) said that: “... context is critical: both immediate and proximate, certainly within the Act as a whole, but in some circumstances perhaps even further than that”;

(c) Where the meaning is not clear but is imprecise or ambiguous, further rules of construction come into play. In such circumstances, a purposive interpretation is permissible;

(d) Whatever approach is taken, each word or phrase used in the statute should be given a meaning as it is presumed that the Oireachtas did not intend to use surplusage or to use words or phrases without meaning.

(e) In the case of taxation statutes, if there is ambiguity in a statutory provision, the word should be construed strictly so as to prevent a fresh imposition of liability from being created unfairly by the use of oblique or slack language;

(f) Nonetheless, even in the case of a taxation statute, if a literal interpretation of the provision would lead to an absurdity (in the sense of failing to reflect what

otherwise is the true intention of the legislature apparent from the Act as a whole) then a literal interpretation will be rejected.

(g) Although the issue did not arise in Dunnes Stores v. The Revenue Commissioners, there is one further principle which must be borne in mind in the context of taxation statute. That relates to provisions which provide for relief or exemption from taxation. This was addressed by the Supreme Court in Revenue Commissioners v. Doorley [1933] I.R. 750 where Kennedy C.J. said at p. 766:

“Now the exemption from tax, with which we are immediately concerned, is governed by the same considerations. If it is clear that a tax is imposed by the Act under consideration, then exemption from that tax must be given expressly and in clear and unambiguous terms, within the letter of the statute as interpreted with the assistance of the ordinary canons for the interpretation of statutes. This arises from the nature of the subject-matter under consideration and is complementary to what I have already said in its regard. The Court is not, by greater indulgence in delimiting the area of exemptions, to enlarge their operation beyond what the statute, clearly and without doubt and in express terms, except for some good reason from the burden of a tax thereby imposed generally on that description of subject-matter. As the imposition of, so the exemption from, the tax must be brought within the letter of the taxing Act as interpreted by the established canons of construction so far as possible.”

30. The Commissioner is of the view that in relation to the approach to be taken to statutory interpretation, *Perrigo*, is authoritative in this regard, as it provides an overview and template of all other judgments. It is a clear methodology to assist with interpreting a statute. Therefore, the Commissioner is satisfied that the approach to be taken in relation to the interpretation of the statute is as set out in *Perrigo* and that the wording in the statute must be given a plain, ordinary or natural meaning as per subparagraph (a) of paragraph 74 of *Perrigo*. In addition, as per the principles enunciated in subparagraph (b) of paragraph 74 of *Perrigo*, context is critical.
31. Furthermore, the Commissioner is mindful of the decision in *Heather Hill Management Company CLG & McGoldrick v An Bord Pleanála, Burkeway Homes Limited and the Attorney General* [2022] IESC 43 (“*Heather Hill*”) and that the approach to be taken to statutory interpretation must include consideration of the overall context and purpose of

the legislative scheme. The Commissioner is mindful of the *dictum* of Murray J. at paragraph 108 of his decision, wherein he stated that:

“It is also noted that while McKechnie J. envisaged here two stages to an inquiry – words in context and (if there remained ambiguity), purpose- it is now clear that these approaches are properly to be viewed as part of a single continuum rather than as separated fields to be filled in, the second only arising for consideration if the first is inconclusive. To that extent I think that the Attorney General is correct when he submits that the effect of these decisions - and in particular Dunnes Stores and Bookfinders – is that the literal and purposive approaches to statutory interpretation are not hermetically sealed”.

32. To a certain degree it might be said that these cases suggest that the “literal” and “purposive” approaches to statutory interpretation are no longer hermetically sealed. Murray J. in *Heather Hill* sets out “four basic propositions that must be borne in mind” from paragraphs 113 to 116 as follows:-

“113. First, ‘legislative intent’ as used to describe the object of this interpretative exercise is a misnomer: a court cannot peer into minds of parliamentarians when they enacted legislation and as the decision of this court in Crilly v. Farrington [2001] 3 IR 251 emphatically declares, their subjective intent is not relevant to construction. Even if that subjective intent could be ascertained and admitted, the purpose of individual parliamentarians can never be reliably attributed to a collective assembly whose members may act with differing intentions and objects.

114. Second, and instead, what the court is concerned to do when interpreting a statute is to ascertain the legal effect attributed to the legislation by a set of rules and presumptions the common law (and latterly statute) has developed for that purpose (see DPP v. Flanagan [1979] IR 265, at p. 282 per Henchy J.). This is why the proper application of the rules of statutory interpretation may produce a result which, in hindsight, some parliamentarians might plausibly say they never intended to bring about. That is the price of an approach which prefers the application of transparent, coherent and objectively ascertainable principles to the interpretation of legislation, to a situation in which judges construe an Act of the Oireachtas by reference to their individual assessments of what they think parliament ought sensibly to have wished to achieve by the legislation (see the comments of Finlay C.J. in McGrath v. McDermott [1988] IR 258, at p. 276).

115. Third, and to that end, the words of a statute are given primacy within this framework as they are the best guide to the result the Oireachtas wanted to bring

about. The importance of this proposition and the reason for it, cannot be overstated. Those words are the sole identifiable and legally admissible outward expression of its members' objectives: the text of the legislation is the only source of information a court can be confident all members of parliament have access to and have in their minds when a statute is passed. In deciding what legal effect is to be given to those words their plain meaning is a good point of departure, as it is to be assumed that it reflects what the legislators themselves understood when they decided to approve it.

116. Fourth, and at the same time, the Oireachtas usually enacts a composite statute, not a collection of disassociated provisions, and it does so in a pre-existing context and for a purpose. The best guide to that purpose, for this very reason, is the language of the statute read as a whole, but sometimes that necessarily falls to be understood and informed by reliable and identifiable background information of the kind described by McKechnie J. in Brown. However - and in resolving this appeal this is the key and critical point - the 'context' that is deployed to that end and 'purpose' so identified must be clear and specific and, where wielded to displace the apparently clear language of a provision, must be decisively probative of an alternative construction that is itself capable of being accommodated within the statutory language."

33. The *dictum* of Murray J. in *Heather Hill* was considered and approved by the Court of Appeal in the decision in *Hanrahan v the Revenue Commissioners* [2024] IECA 113 ("*Hanrahan*"). Of note, the Court of Appeal in *Hanrahan* at paragraph 79, when referring to the *dictum* of Murray J. in *Heather Hill*, in relation to the analysis of context and purpose, stated that:

"Murray J. was very alive to the dangers of pushing the analysis of the context of the provision too far from the moorings of the language of the legislative section; the line between the permissible admission of "context" and identification of "purpose" may become blurred if too broad an approach to the interpretation of legislation is taken.....He said that "the Oireachtas usually enacts a composite statute, not a collection of disassociated provisions, and it does so in a pre-existing context and for a purpose. The best guide to that purpose, for this very reason, is the language of the statute read as a whole, but sometimes that necessarily falls to be understood and informed by reliable and identifiable background information of the kind described by McKechnie J. in Brown..."

34. Where there is an ambiguity in a tax statute it must be interpreted in the taxpayer's favour. In *Bookfinders*, O'Donnell J. explained that this rule against doubtful penalisation, also described as the rule of strict construction, means that if, after the application of general

principles of statutory interpretation, there is a genuine doubt as to whether a particular provision creating a tax liability applies, then the taxpayer should be given the benefit of any doubt or ambiguity as the words should be construed strictly “*so as to prevent a fresh imposition of liability from being created unfairly by the use of oblique or slack language*”.

35. If there is any doubt, then a consideration of the purpose and intention of the legislature should be adopted. Then, even with this approach, the statutory provision must be seen in context, and the context is critical, both immediate and proximate, but in some circumstances perhaps even further than that. There is abundant authority for the presumption that words are not used in a statute without meaning and are not superfluous, and so effect must be given, if possible, to all the words used, for the legislature must be deemed not to waste its words or say anything in vain. In particular, the Commissioner is mindful of the *dictum* of McKechnie J. in *Dunnes Stores* at paragraph 66, wherein he stated that:

“each word or phrase has and should be given a meaning, as it is presumed that the Oireachtas did not intend to use surplusage or to have words or phrases without meaning.”

36. The purpose of interpretation is to seek clarity from words which are sometimes necessarily, and sometimes avoidably, opaque. However, in either case, the function of the Court or Tribunal is to seek to ascertain the meaning of the words. The general principles of statutory interpretation are tools used for clear understanding of a statutory provision. It is only if, after that process has been concluded, a Court or Tribunal is genuinely in doubt as to the imposition of a liability, that the principle against doubtful penalisation should apply and the text given a strict construction so as to prevent a fresh and unfair imposition of liability by the use of oblique or slack language.

Substantive issue

37. The issue in this appeal is the appropriate CAT Class A threshold applicable to the Appellant’s inheritance. The Appellant’s position was that the Group A threshold amount of €400,000, as amended by section 99 FA 2024, applied to her circumstances. Section 99(2) FA 2024 provides that the changes contained in subsection 1 of section 99 FA 2024 apply to gifts and inheritances taken on or after 2 October 2024.
38. However, the Respondent rejected that position and assessed the Appellant on the basis that the €335,000 Group A threshold applied. The Respondent argued that the relevant date was not the valuation date of 25 July 2025, but rather the date of ■ April 2024, being the date of the death of the Disponer.

39. The Commissioner notes that on 25 July 2025 the Appellant received €454,569.71 from the estate and filed a Form IT38S on the basis that the valuation date was 25 July 2025 and applied the €400,000 Class A threshold. The Appellant's agent argued that this was the date upon which "*the inheritance was taken*" and which accords with the words in subsection (2) of section 99 FA 2024, namely that the amended Group A threshold "*applies to gifts and inheritances taken on or after 2 October 2024*". He submitted that the crucial date for the application of the Group A threshold was the date the Appellant took the inheritance, which was after 2 October 2024, namely 25 July 2025.
40. The Appellant submitted that she understood the Group A threshold of €400,000 to apply in circumstances where the benefit became capable of possession at valuation and valued after 2 October 2024. The Commissioner notes that the Appellant's agent posited that that if the legislator intended the date of death to be determinative of time, it could have expressly said so. Rather, it specifically and deliberately said "*taken on or after 2 October 2024*" and that was when the benefit was taken herein.
41. The Commissioner is satisfied that section 99 FA 2024 provides that an increased Group A threshold applies to inheritances taken on or after 2 October 2024. Section 118(5) FA 2024 provides that Part 5 "*shall be construed together with the Capital Acquisitions Tax Consolidation Act 2003 and the enactments amending or extending that Act.*" Thus, this amending section must be considered in light of the Principal Act, namely the CATCA 2003.
42. The Commissioner has considered section 2 CATCA 2003 which provides for the meaning of "date of the inheritance". In this appeal the relevant subsection under "date of the inheritance" is subsection (c) which states "*in any other case, the date of the latest death which had to occur for the successor, or any person in right of the successor or on that successor's behalf, to become beneficially entitled in possession to the benefit, and a reference to the time when an inheritance is taken is construed as a reference to the date of the inheritance,*" [underline added]
43. The Commissioner is satisfied that the words in section 2 CATCA 2003 as referred to in the preceding paragraph are clear and their meaning self-evident, such that the ordinary, basic and natural meaning of the words should prevail. There is no ambiguity to the words in the section. The Commissioner is satisfied that the meaning of "*the date of the inheritance*", as defined in section 2 CATCA 2003, is the date of the latest death, which had to occur in order for the Appellant "*to become beneficially entitled to the inheritance*". These words "*to become beneficially entitled to the inheritance*" are drafted in the future tense. The date of the latest death, which had to occur, was the date of the Donor's

death and reference to the time "*when the inheritance was taken*" is to be construed as a reference to "*the date of inheritance*", namely the death of the Disposer.

44. The Commissioner is satisfied that the time that the inheritance was taken, was the date of the Disposer's death, as this was the date and point in time upon which the Appellant, as successor, had the right "*to become beneficially entitled in possession to the benefit*". The section then makes it clear that any reference to the time when an inheritance is taken is construed as a reference to the date of the inheritance. Interpreting section 2(1) CATCA 2003 and having regard to the plain and ordinary meaning of the words, in context, it does not state that the "*date of inheritance*" takes place at the time the successor becomes beneficially entitled in possession to the property. Rather, it references the date of the latest death that had to occur for the successor to "*become*" so entitled in possession.
45. Section 2 CATCA 2003 also provides for the meaning of "valuation date" and it states that it "*has the meaning assigned to it by section 30*". The Commissioner has considered section 30 CATCA 2003 and is satisfied that the section deals with the valuation date only and when to value an inheritance, such that the tax is not payable before the benefit is received. The Commissioner also notes the references to the previous determination in 49TACD2022 by counsel for the Respondent in support of that position. The Commissioner is satisfied that the "*valuation date*" is distinct and a separate defined term and has no application to the Group thresholds. It is the "*date of inheritance*" that is the critical defined term and date for the purposes of ascertaining the applicable Group threshold.
46. Hence, the Commissioner is satisfied that, in accordance with section 2(1) CATCA 2003, the Appellant's inheritance was taken on the "*date of inheritance*" as this was the date upon which the Appellant had the right "*to become beneficially entitled in possession to the benefit*". Thus, the Commissioner is satisfied that the applicable Group threshold in respect of a taxable inheritance is determined by reference to the "*date of inheritance*" and not "*the valuation date*". The valuation date is only relevant for valuation and filing.
47. Whilst section 99 FA 2024 refers to *gifts and inheritances taken on or after 2 October 2024*", it is evident from section 2 CATCA 2003 that any reference to the time when an inheritance is "*taken*", is construed as a reference to the "*date of inheritance*". As the Appellant's inheritance was not "*taken*" on or after 2 October 2024, but rather was "*taken*" on 1 April 2024, the Group A threshold increases in section 99(1) FA 2024 do not apply to the Appellant's inheritance.

Conclusion

48. Having regard to the plain and ordinary meaning of the words in section 2 CATCA 2003, in context, the Commissioner is satisfied that the applicable Group A threshold in respect of a taxable inheritance is determined by reference to the “*date of inheritance*” and not “*the valuation date*”, for the reasons set out in the Commissioner’s analysis.
49. Therefore, the Commissioner is satisfied that the Respondent was correct to apply the €335,000 Group A threshold to the Appellant’s inheritance as the date the inheritance was taken was ■ April 2024, being the date of the death of the Disponer.

Determination

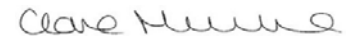
50. As such and for all the reasons set out above, the Commissioner determines that the Appellant has not succeeded in her appeal and has not shown that the Respondent was incorrect to raise the CAT Notice of Assessment, dated 14 October 2025.
51. Therefore, the Commissioner determines that the CAT Notice of Assessment, dated 14 October 2025, as set out at paragraph 1 of this Determination, shall stand.
52. The Commissioner appreciates that this decision will be disappointing for the Appellant. The Appellant was entitled to check whether the decisions of the Respondent were correct. The Commissioner offers her condolences to the Appellant on the passing of her mother.
53. This appeal is determined in accordance with Part 40A TCA 1997. This determination contains full findings of fact and reasons for the determination, as required under section 949AJ(6) TCA 1997.

Notification

54. This determination complies with the notification requirements set out in section 949AJ TCA 1997, in particular section 949AJ(5) and section 949AJ(6) TCA 1997. For the avoidance of doubt, the parties are hereby notified of the determination under section 949AJ TCA 1997 and in particular the matters as required in section 949AJ(6) TCA 1997.
55. This notification under section 949AJ TCA 1997 is being sent via digital email communication **only** (unless the Appellant opted for postal communication and communicated that option to the Commission). The parties will not receive any other notification of this determination by any other methods of communication.

Appeal

56. Any party dissatisfied with the determination has a right of appeal on a point or points of law only within 42 days after the date of the notification of this determination in accordance with the provisions set out in section 949AP TCA 1997. The Commission has no discretion to accept any request to appeal the determination outside the statutory time limit.



Claire Millrine
Appeal Commissioner
5 August 2026