

Retirement relief and life interests (S.577A)

Part 19-03-10

This document should be read in conjunction with section 577A
of the Taxes Consolidation Act 1997

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Note: This manual is currently subject to review and may not reflect up-to-date position. Most recent version.

Introduction

Section 577A of the Taxes Consolidation Act 1997 (“TCA 1997”) provides relief from the Capital Gains Tax (“CGT”) liability which would accrue to a trustee of settled property, where a person entitled to a life interest in the property relinquishes that life interest. The relief given is the retirement relief which would have been given to the person entitled to the life interest if that person had owned the property absolutely since the commencement of the life interest.

10.1 Relinquishing of a life interest

Section 577A TCA 1997 provides relief from the CGT liability which would accrue to a trustee of settled property, where a person entitled to a life interest in the property relinquishes that life interest.

10.2 Retirement relief

The relief given is the retirement relief (see [Tax and Duty Manual Part 19-06-03](#)) which would have been given to the person entitled to the life interest if that person had owned the property absolutely since the commencement of the life interest.