

Financial planning practice

R06: 2018–19 edition

Web update 1: 10 August 2018

Please note the following update to your 2018–19 edition of the **R06** study text:

Chapter 2, section B10D, page 2/17

Replace the paragraph above example 2.2 ('Like the nil rate band...') with the following clarifying text:

Like the nil rate band, the residence nil rate band (RNRB) is transferable if it is unused in full or in part on first death of a spouse or civil partner, with the unused proportion on first death applied to the RNRB rate in existence at the time of the second spouse's/civil partner's death. While it is only transferable where the second death occurs on or after 6 April 2017, it does not matter when the first death occurred. The value of the transferable RNRB is deemed to have been £100,000 where the first death occurred before 6 April 2017, but this amount is only applicable if partially/wholly used at the first death, whereas a wholly unused transferred RNRB allowance would be worked out as above. Similarly, where the first death occurs on or after that date, if partially/wholly used, it will be the RNRB rate that applied in the year of the first death.