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Inheritance Planning with Life Insurance in Ireland

The definitive guide to Section 72 cover — and Section 73 savings for lifetime gifts

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PART A — FOUNDATIONS

1. Introduction and how to use this guide

Irish families insure their homes against fire, their cars against collision and their incomes against illness — and leave uninsured the one liability that is certain to arrive: the tax their children will owe on what they inherit. Capital acquisitions tax collected over €1.1 billion in 2025, most of it from ordinary estates built of a house, a pension and a lifetime's savings, and it falls due on a statutory clock that takes no account of whether the estate holds any cash to pay it. Two statutory instruments exist for exactly this problem — the Section 72 policy, which funds the tax that arrives at death, and the Section 73 policy, which funds the tax a planned lifetime gift will trigger — yet no single publication sets out, from primary sources, what they are, when they are the right answer, when they are the wrong one, and how they are bought, sized, kept alive and claimed. This guide closes that gap.

The suite. This is the third guide of the mylife series and the product-and-use-case companion to *The Taxation of Protection in Ireland* (MTG-2026-01). The division of labour is strict: MTG owns the statutory analysis of sections 72 and 73, the capital acquisitions tax machinery and the relief conditions, principally in its Chapters 11–12, and its case studies CS7–CS11 and CS19 are this guide's tax engine — cited, never restated. This guide owns everything the tax analysis does not: the quantified case for planning, the sizing methods, product selection, the buying journey, sustainability, administration and the claim. A reader who wants to know *what to do* starts here; a reader who wants to know *why the tax falls as it does* follows the cross-reference. *Business Protection in Ireland* (MBP-2026-01) set the pattern this guide follows, and its devices — the unfunded counterfactual, the policy register — reappear here transposed to the estate.

What this guide covers. First, the whole field in honest proportion: before this guide makes any case for insurance, Chapter 3 condenses inheritance planning in full — the will, the shares the law itself imposes, the trusts, the lifetime strategies, the professional work that no policy replaces — the bridge that industry-sourced material almost never builds, included here because a reader cannot judge the instrument without seeing everything it is not. Then, one core product in depth: the Section 72 qualifying whole of life policy — the case for it (Part A), its practice from sizing to sustainability (Part B), and its implementation and administration to the claim (Part D). And one deliberate boundary departure, made openly: **Section 73 is a savings contract, not protection**, yet Part C treats it comprehensively, because inheritance planning is incomplete without the lifetime-gift instrument, the two sections are statutory siblings perpetually confused in the market, and this guide is where the suite's full Section 73 treatment lives — MTG carries it only in brief. Its savings nature, its exit-tax layer and its eight-year clock are stated plainly at every appearance, never blurred into protection.

What this guide deliberately excludes. The capital acquisitions tax machinery itself — thresholds, valuation dates, reliefs, clawbacks, aggregation — which appears here only in the working outline a planning decision needs, with the full analysis in MTG Chapters 11–12; the foreign dimension (MTG Chapter 13); the general taxation of life policies (MTG Part B); and every protection product other than the two instruments named on the cover, each of which is treated fully elsewhere in the series.

How to read it. Every chapter is entered through the estate that has the problem — the Dublin house above two thresholds, the €800,000 pension fund, the farm whose relief could claw back — never through the statute. Each chapter carries its analysis in plain English; boxed **Technical basis** panels hold the statutory citations, Revenue references and workbook figure codes for professional readers, and the full reference apparatus consolidates at the back — an endnote convention throughout, with no page footnotes. Worked examples follow the series' fixed template with a permanent WE numbering; where a scenario also lives in the tax guide, the same facts are deliberately reused and the tax case is cited rather than reworked. Every rate, threshold and monetary parameter is maintained in the shared mylife Reference Workbook, which records each figure's value, effective date, status and primary source; both the narrative and the panels stay clean of the maintenance codes, which live in the workbook itself and in the maintenance register kept alongside this guide's master.

Currency. The text is stated as at 15 August 2026 and reflects the law, Revenue practice, official statistics and market facts verified on that date — including Finance Act 2025 (measures effective 1 January 2026), the Revenue receipts series to end-2025, and the office product material of the current Section 72 writers.

2. The inheritance tax reality

A semi-detached house in Dublin, owned outright by a widowed parent and left to one child, now carries an inheritance tax bill before a single euro of savings, pension or contents is counted. That sentence would have been an exaggeration a decade ago. It is arithmetic today, and this chapter sets out the four facts that make it so: the tax is large and growing fast; it falls on relationships the public does not expect; the thresholds stand still while the assets move; and the payment clock is short and indifferent to liquidity.

The tax is large, and growing fast. Capital acquisitions tax collected **€1,120.5 million in 2025** — across the €1 billion line for the first time — up 31% on 2024's €854 million, which was itself up 35% on 2023. The take has more than doubled since 2020. Inheritance tax is 86% of it; the balance is gift tax, and that line is growing faster still, from €75 million in 2023 to €147 million in 2025 — the quantified trace of families moving assets in lifetime, which is Part C's territory. None of this growth required a rate change: the rate has stood at 33% since 2012. The growth is the growth of ordinary estates crossing thresholds that move rarely.

Who actually pays is not who the public expects. The receipts by relationship carry a finding that reverses the common intuition. Children inheriting from parents — Group A, with the €400,000 threshold — paid €399 million of inheritance tax in 2025. **Siblings, nieces, nephews and grandchildren — Group B, with a €40,000 threshold — paid €449 million: more than the children, in 2025 and in every year of the published series.** Strangers in blood — Group C, threshold €20,000, the group where cohabiting partners sit unless the estate plans around it — paid a further €121 million. The heaviest-taxed euro is not the child's inheritance of the family home; it is the collateral inheritance — the childless estate passing to a brother's family, the legacy to a niece, the house left to a partner the law does not recognise. The planning need is widest exactly where the thresholds are thinnest, and this guide's use cases return to that fact throughout.

The thresholds stand still while the assets move. The Group A threshold is €400,000. The national median dwelling price is **€395,000** — within €5,000 of the entire lifetime tax-free amount a child can take from both parents combined. The Dublin median is **€500,000**: the median Dublin home alone exceeds the threshold by €100,000, which is €33,000 of tax on the house before savings, pension or contents are counted. In Dún Laoghaire-Rathdown the median is €689,325 — €95,477 of tax on the median home alone. And national prices are rising at **6.2% a year against thresholds that do not index**: the median Dublin home adds roughly €31,000 of value in a year on that trend — over €10,000 of new tax — while the threshold adds nothing. That drift — assets compounding against a static line — is why a liability sized once and never reviewed will not match the estate that eventually passes, and it is the reason Chapter 8's indexation discipline and Chapter 18's annual review exist.

The pension arrives on top. For a growing class of estates the largest single charge is not capital acquisitions tax on the house but the income tax charge that arises when an Approved Retirement Fund or vested PRSA passes on death — the charge under section 784A TCA 1997. It stacks on top of the CAT computation, it is frequently the biggest line in it, and — decisively for this guide — it is expressly within the "relevant tax" a Section 72 policy exists to fund. MTG Chapter 12 carries the analysis; Chapter 8 here carries the sizing consequence: the ARF charge is a first-class line of the liability, not a footnote.

The clock is short, and it does not ask about liquidity. Inheritance tax is computed at the valuation date — in practice commonly the grant of probate — and benefits with valuation dates in the twelve months to 31 August are returned and paid by 31 October of that year. The interval between a death and that deadline is often under a year, sometimes months; the assets are typically a house and an illiquid business, not cash; and deferral by instalments, where Revenue allows it, runs interest — finance, not relief. MTG Chapter 11 states the clock from the practitioner's side. From the kitchen table it reads differently: a family grieving in spring can face a six-figure Revenue deadline by autumn, with the money locked inside the very asset they are trying to keep. That compression is the commercial reason the product at the centre of this guide exists.

Panel 2.1 — the tax, quantified (2025)

Total CAT collected	€1,120.5m (+31% on 2024; more than doubled since 2020)
Of which inheritance tax	€968.4m (86%)
Inheritance tax by group	A €398.9m · **B €449.0m** · C €120.6m
Gift tax	€146.6m (nearly doubled since 2023; €100.9m of it Group A)
Balance of the total	Discretionary trust tax €5.5m; probate tax €0.1m
Group A threshold vs national median house price	€400,000 vs €395,000
Dublin median	€500,000 — €33,000 of tax on the median home alone (Group A, one child)
Price drift vs threshold drift	+6.2% p.a. vs nil
Payment deadline	31 October following the valuation-date year

Technical basis — Revenue Commissioners, net receipts for capital acquisitions tax, 2007–2025 series by component and threshold group (verified 15 August 2026); Revenue, Headline Results 2025; CSO, *Ireland's Tax Statistics 2024* (CAT €854m, +35% on 2023; verified 14 August 2026). CSO Residential Property Price Index, May 2026 release: national median €395,000; Dublin €500,000; Dún Laoghaire-Rathdown €689,325; national +6.2% p.a. (verified 14 August 2026). TCA 1997 s.784A (ARF charge); CATCA 2003 valuation date and pay-and-file — analysis in MTG-2026-01 Chs 11–12 (carried verified 4 August 2026). Figures maintained in the shared reference workbook (MRW-2026), where each carries its value, effective date, status and primary source. See Source register.

3. Inheritance planning in full

This guide is about one strand of a much larger subject, and this chapter is the map of the whole — condensed from this firm's comprehensive treatment, *Inheritance Planning in Ireland* (SMP Financial, 2026), which runs the full field to two hundred pages of cited authority and should be read by anyone whose planning extends beyond the funding question. The condensation is deliberate and the proportions are honest: of the four movements of a complete inheritance plan, the instruments in this guide belong to the third, and everything before them does more to reduce the bill than any policy does to pay it.

First movement: quantify. A plan starts from the liability, computed per beneficiary on today's values — Chapter 2's arithmetic — and from an honest horizon: for a couple both 65, the family's tax event is the *second* death, expected around age 89, with close to a coin-toss that one of them reaches 90. Twenty-five years is the design life of everything that follows.

Second movement: reduce — the levers that shrink the number. *Timing is the master lever.* Between any two candidate transfer dates sits compound growth, and growth already given away is never taxed in the giver's estate: the same €400,000 asset that passes tax-free at 60 can arrive at the second death as €1.65 million carrying a €411,000 bill. The lever has real price tags — capital gains tax, the gift-splitting rules, the risk of giving away what you will need — which is why it is exercised by design, not impulse. *The annual engine:* €3,000 per giver per receiver per year, plus the exemption for normal support and maintenance, moves six-figure sums over a planning horizon without touching a threshold — free, unglamorous, and forfeited every year it goes unused. *The family home:* a complete exemption exists for the person genuinely living in the home of the person who dies — conditional, six-year-encumbered, and subtler than the market's slogan version, as Chapter 4 shows. *The farm and the business:* 90% reductions in taxable value, each with its own personality — the farm relief tests the beneficiary and the after-use; the business relief forensically examines what the company owns — and each rewarding years of advance choreography and balance-sheet hygiene while punishing improvisation with six-year clawbacks. *Heritage property* has two provisions of its own, one for keeping and one for paying. *Structures* — bare trusts, discretionary trusts, partnerships, corporate freezes — transfer assets to arrangements rather than people, buying control and protection at the price of trust levies and complexity: never a trust where a will suffices. *The modern-family rules* are the code's sharpest cliff: an unmarried partner is a €20,000 stranger to the tax, and for cohabiting couples marriage or civil partnership is worth more than every other technique combined. And *the international dimension* nets the emigrant child, the foreign property and the returning parent through three gateways, one five-year rule and exactly two treaties.

Third movement: fund what remains. Run every lever well and most property-holding families still arrive at a residual bill, sitting exactly where the reliefs do not reach — the home above the threshold, the second property, the pension fund, the Group B and C legacies. The bad ways to pay it are selling into a deadline, borrowing, instalments with interest, and drift; the purpose-built ways are the two instruments of this guide, plus the pension death regime's own planning logic and the Fair Deal interaction of later life. That — and only that — is this guide's territory, treated from here to the last page.

Fourth movement: execute. None of it happens without the legal machinery: a valid will (marriage revokes one; divorce does not), the shares the law reserves regardless of drafting — the spouse's legal right share, the court's power to re-provide for children — capacity instruments made in the healthy decades, the post-death repair kit of disclaimers and deeds of family arrangement with their unforgiving clocks, and the administration itself: the grant, the statement of affairs, the clearances, the deadlines, the personal representative's personal exposure. This is solicitor's work, with the tax adviser alongside, and the comprehensive guide gives it a full Book because plans are delivered — or destroyed — there.

The honest summary of the field, then: **time and structure reduce the bill; law executes the plan; insurance only funds what remains.** A reader whose situation engages the second and fourth movements should engage the professionals who own them — and the comprehensive guide, with its interactive planning-horizon tool, is built for exactly that reader. This guide now narrows, deliberately and with its proportions declared, to the funding instruments.

Technical basis — SMP Financial, *Inheritance Planning in Ireland: a guide to strategy, funding and execution* (first edition, August 2026; read in full 15-08-2026) — the source of this chapter's condensation, itself cited throughout to CATCA 2003, the Revenue manuals, the CSO and the case law; its Appendix B (ILT17 survivorship basis with an illustrated improvement adjustment, consistent with MWP-2026-04) carries the second-death and horizon figures. Figures maintained in the shared reference workbook (MRW-2026), where each carries its value, effective date, status and primary source. See Source register.

4. The planning map

Insurance is the *last* tool on the inheritance planning map, not the first — and a guide about the insurance owes its readers that sentence early. The toolkit has a proper order: exemptions and thresholds first, reliefs where they genuinely hold, lifetime giving within the exemptions, and only then insurance, sized against the residue that remains. An estate that works through the map in order buys less cover than it feared; some estates discover they need none.

First, the exemptions that cost nothing. Everything passing between spouses or civil partners is exempt — which is why, for a married couple, the planning event is almost never the first death but the second, a fact that shapes the product default in Chapter 5. Each child can take €400,000 from their parents across a lifetime; Group B relatives €40,000; everyone else €20,000. The dwelling house exemption can pass a home tax-free to a beneficiary who has occupied it as their only or main residence for the three years to the date of the inheritance, holds no interest in another dwelling and — if under 65 — stays six more: powerful, conditional, and less literal than it reads. The three-year clock runs to the *date of the inheritance* — which is the date of death only where the house passes directly. Where the will settles the home on a trust and the beneficiary takes it by later appointment, the inheritance dates from the appointment, and a beneficiary who moves in only after the death can complete the three years under the trust before taking — established planning practice, with its own moving parts (the trust's charges while the house is settled, the free-use question, the other-dwelling tests) that make it solicitor's work, not form-filling. The lesson generalises across this chapter: the rules of inheritance planning are rarely what they appear at face value, which is why Chapter 3 maps the whole field and why the professionals named there earn their fees. And the small gift exemption allows any person to give any other person €3,000 a year, every year, consuming no threshold at all — €6,000 a year per child from two parents, €72,000 over twelve years, moved silently and for free. Families who start early move real wealth through this alone, and Chapter 9 shows the exemption doing a second job: funding cover.

Second, the reliefs — which concentrate the problem rather than remove it. Agricultural relief and business relief each reduce qualifying property by 90% of its value, and a 90% relief looks like the end of the story. In practice it compresses the problem into three residues, and MTG Chapter 11 carries the working detail of each. The *unrelieved slice*: the surplus cash and investments inside a trading company take no relief, which is how a €2.5m company produces a €188,100 bill rather than the nil an owner assumes (MTG CS9). The *conditionality*: both reliefs claw back if their conditions fail within six years — an active-farmer test broken, a business sold and not reinvested — converting a nil liability into a full one years after the estate has been distributed. The *equalisation problem*: the child who takes the relieved farm pays little; the siblings who take cash instead consume their thresholds in full, and treating children fairly around a relieved asset is its own planning problem (MTG CS19). The reliefs are real and valuable. They are also precisely why relieved estates still buy cover — sized to the residues, not the headline.

Third, lifetime giving — which changes the tax, not just the timing. Moving an asset in lifetime can crystallise certainty: the relief conditions are tested on a chosen date, the succession is settled while the disponer can steer it, and the growth from transfer onward accrues outside the estate. It also triggers gift tax on that chosen, knowable date — which is a different funding problem from the unknowable date of death, and the reason the statute provides a different instrument for it. Part C is that instrument's home.

Then, and only then, insurance — for the residue that remains. What is left after the map is worked in order is a quantified, dated liability: tax that will arrive at a death, or tax that a planned transfer will trigger. The Section 72 policy funds the first — a whole of life contract whose proceeds are exempt to the extent they pay the estate's tax. The Section 73 policy funds the second — a savings contract whose proceeds, after at least eight annual premiums, are exempt to the extent they pay gift tax on a transfer made within a year. Two instruments, two taxes, two triggers; Chapter 15 shows estates that genuinely need both.

Who has the problem. The profiles recur. The *house-rich Dublin estate*: one asset worth more than one threshold — or more than two — and no liquidity beside it. The *ARF-heavy estate*: a modest house and a large fund, where the s.784A charge leads the computation. The *relieved farm or company*: nil on the headline, six figures in the residues and the clawback contingency. The *childless estate*: everything to Group B relations at €40,000 a head — the profile behind the receipts finding in Chapter 2. And the *unmarried couple*: to the tax, cohabitants are strangers — Group C, €20,000 — however long the life shared. One statutory softening exists: property transferred under a court order in the cohabitants' redress scheme is exempt, but that requires a relationship's end or a death and a court, which is not a plan (MTG Chapter 14 carries it). The exemptions and the joint-policy machinery of this guide are built for spouses, and a cohabiting couple's plan must be built deliberately from single-life configurations instead — woven through this guide's use cases.

Who does not have the problem. The counter-cases deserve equal daylight, and this guide states them before it sells anything. An estate passing wholly to a spouse has no liability at that death. An estate inside the thresholds — two children, €800,000 of combined lifetime benefits — has none either. A fully relieved farm with a qualifying successor, clean conditions and six safe years may genuinely need only term cover against the clawback window rather than whole of life. And beneficiaries with ample liquidity of their own can simply pay the tax: cover bought where cash already stood ready is premium spent on a problem that did not exist. The honest first step is the computation, not the application form.

One boundary, stated once. Readers of this guide ask about the Fair Deal scheme more than any other adjacent topic, because the same estate that fears the tax fears the nursing-home contribution: 80% of assessable income and 7.5% of assets a year, the family home capped at three years' contribution (22.5%), a €36,000 asset disregard, and a five-year look-back that assesses transferred assets as if retained. Fair Deal is a care-funding scheme, not a tax, and it is outside this guide's scope; MTG Chapter 26 carries the boundary treatment, and estate plans that involve lifetime transfers should be stress-tested against the look-back before the transfer, not after.

> **Technical basis** — CATCA 2003: spouse/civil partner exemption; Group thresholds; small gift exemption; dwelling house exemption; agricultural relief (s.89) and business relief (ss.92–102) with six-year clawbacks — full planning analysis in MTG-2026-01 Ch 11, cases CS8, CS9, CS19 (carried verified 4 August 2026). Cohabitants: MTG Ch 14; redress-scheme and configuration detail there. Nursing Homes Support Scheme Act 2009 (Fair Deal) — boundary treatment in MTG Ch 26. Figures maintained in the shared reference workbook (MRW-2026), where each carries its value, effective date, status and primary source. See Source register.

5. The instrument

A Section 72 policy is whole of life cover wearing a statutory wrapper, and this chapter anatomises the cover; MTG Chapter 12 anatomises the wrapper. The order matters, because most of what goes wrong with Section 72 planning goes wrong at the product layer — a contract that could not be sustained, a review that arrived at 85, a replacement that destroyed the designation — and not at the statutory one.

What whole of life is. A whole of life contract has no end date: it pays on death whenever death occurs, provided the premiums are maintained. That single feature reprices everything. A term policy is priced on the chance of dying inside a window most people outlive; a whole of life policy is priced on a certainty, and the office's only questions are *when* and *how much premium will have arrived first*. The buyer is not betting against the insurer; the buyer is converting an uncertain, badly timed liability into a level, budgetable cost. Everything in this chapter follows from taking that seriously.

How long the contract must be built to run. On Irish population mortality, a 65-year-old's median remaining life is 23.4 years — to age 88 — and the 99.5th percentile reaches age 91; a married couple's *second* death, the event this product usually insures, runs later still — expected around age 89, with close to a coin-toss that one of the two reaches 90 (the full fan is in the comprehensive guide's mortality appendix, on the same table family as this guide's basis). A Section 72 contract bought in the buyer's 60s must therefore be engineered to stand for twenty-five to thirty-plus years, through every review, Budget and market cycle in between. That horizon is the honest measure of the product decision this chapter turns on — and of the misconception in Chapter 24 that long life defeats the contract: on the suite's benchmark case, a couple of 60 funding €400,000 of cover at an illustrative €6,000 a year fund roughly **€2.20 of tax per euro of premium** to joint life expectancy, and cumulative premiums would not overtake the benefit until far beyond any plausible survival (MTG CS7). The scenarios in which the family "loses" on the contract are the scenarios in which the parents live very long — the outcomes families mind least.

Guaranteed versus reviewable — the product decision. Whole of life is written on two premium bases. A *guaranteed* contract fixes the premium at outset: what is quoted at 62 is what is paid at 92, and the certainty is priced in from the first month. A *reviewable* contract starts cheaper and reserves the office's right to reprice at review dates — and on a contract expected to run past 85, the reviews arrive exactly when the insured can least re-enter the market and least absorb the increase. The statute is not the obstacle to reviewable terms: Revenue's own rules expressly accommodate premium changes arising from an insurer's review of a Section 72 policy, and legacy reviewable Section 72 books remain in force — one office maintains a conversion product, for its existing customers aged 65 to 98, precisely to move up to €30,000 of an old reviewable plan onto guaranteed terms without medical evidence. But the current new-business market has settled the question by product design: **all three writing offices issue this cover on guaranteed, non-reviewable premiums.** The buyer's task on a new contract is therefore verification, not choice — confirm the basis on the schedule — while the holder of a legacy reviewable contract faces Chapter 10's review analysis with fewer exits. This guide's recommendation — argued in full in Chapter 10, where the failure modes are priced — is the guaranteed basis, and it is the publisher's own placement practice at mylife.ie to arrange this cover on guaranteed terms only: on a liability that cannot lapse without total loss, the premium risk belongs on the balance sheet built to hold it.

Joint-life second-death — the married default. For spouses and civil partners the liability crystallises at the second death, because the survivor takes the first estate exempt. The product follows the liability: one contract on two lives, paying on the second death, with the statute doing the accommodating — the survivor is treated as the insured and deemed to have provided the proceeds, premiums may be paid by either or both and by the survivor alone thereafter, and the wrapper extends to simultaneous deaths and to a survivor dying within 31 days of the first. One contract, one premium, aimed at the one event that matters. The configuration is confined by law to married couples and civil partners: **a cohabiting couple cannot buy it**, and their plan is assembled instead from single-life contracts and life-of-another configurations, deliberately (MTG Ch 14; CS11).

Indexation and guaranteed increases — the answers to drift. Chapter 2 quantified the problem: assets at 6.2% a year against a threshold at nil. The product carries two mechanisms. *Indexation* escalates the sum assured automatically — and the offices treat it differently, in both the rates and the mechanics, so what follows is one current writer's treatment, instructive rather than universal: cover rising 3% a year against a premium rising 4.5% a year, ceasing at age 75. The pattern carries two lessons whatever the office. The premium escalating faster than the benefit is the honest price of buying tomorrow's cover at tomorrow's age; and a ceasing age in the mid-70s means indexation is a bridge through the 60s and early 70s, not a permanent answer. *Guaranteed insurability options* go further where offered: the right to increase cover without fresh medical evidence on defined events — and, again on one office's current definitions, the events reach what actually moves a CAT liability, including the receipt of an inheritance, asset growth, and changes in tax rates or bands, within per-event and lifetime caps and an exercise age limit of 65. Rates, events, caps and availability all vary across the market; the capability matrix in Chapter 25 carries each office's current treatment, and the point of advice confirms it. Between them, indexation and guaranteed increases are how a policy sized in 2026 remains honest against the estate of 2046 without re-underwriting a 78-year-old; Chapter 8 works the sizing arithmetic and Chapter 18 the review discipline that keeps them exercised.

What the contract cannot do. It cannot reduce the tax by one euro: nothing is avoided, the liability is *funded*, and the family's gain is the difference between a level premium and a forced sale. It cannot be converted: the Section 72 designation exists only if the policy was expressly effected under the section at inception, an ordinary policy cannot acquire it later, and — the trap the market underrates — a designation once lost cannot be reinstated, so "switching" a Section 72 policy to a cheaper office is not switching but surrender and a fresh start at an older age. It cannot shelter the excess: proceeds beyond the tax are an ordinary taxable inheritance taken the day after death, which is why Chapter 8 sizes at the liability and not the estate. And it is not a savings vehicle: stopping premiums on the plain contract means total loss of cover — the market's product features that soften this, paid-up options that preserve the designation and cash options that convert it toward Section 73, are treated with the sustainability analysis in Chapter 10, because they are answers to the lapse problem and must be judged there.

> **Technical basis** — CATCA 2003 s.72; Revenue CAT Manual, Part 09 (Exemptions), *Sections 72–73* (created September 2025; verified 15 August 2026): approved policy forms (whole of life and whole of life with premiums ceasing at a specified age among them); joint-lives second-death machinery incl. deemed-provider treatment, simultaneous-death and 31-day survivor extensions; express-designation requirement; premium-change accommodation on insurer review (s.72 only). Statutory analysis: MTG-2026-01 Ch 12; value benchmark CS7 (carried verified 4 August 2026). Longevity basis: Irish cohort life expectancy, CBD median at 65 = 23.4 years, 99.5th percentile 26.0 (population base), per MWP-2026-04 Annex A (read in full 14 August 2026); series convention notes in the source register. Market product mechanics (guaranteed premiums; indexation 3%/4.5% ceasing at 75; CAT-linked guaranteed insurability) from current office material of the writing offices, harvested 15 August 2026 — capability by office in Ch 25 only. Figures maintained in the shared reference workbook (MRW-2026), where each carries its value, effective date, status and primary source. See Source register.

6. Buying Section 72 cover

This product is bought late in life, on purpose. The liability it funds belongs to estates already built — the mortgage cleared, the pension vested, the company sold or settling — and the buyers are typically in their 60s and 70s, frequently steered there by their adult children, who have done the arithmetic on their own inheritance. Buying life cover at 68 is a different exercise from buying it at 35, and this chapter sets out how the exercise actually runs.

Entry windows. The writing offices accept entry up to age 74, and that ceiling is the only line that matters: a 73-year-old still has the door open, a 75-year-old does not, and a family that spends three years deciding can time itself out of the market entirely — while the fan of lifespans this cover must serve runs decades past the last age at which it can be bought, which is the sharpest version of the start-early argument. The premium arithmetic pushes the same direction — every year of delay is a year of age on the rate table and a year of asset drift on the liability — so the practical rule is that the right time to compute the liability is now, even where the decision to insure waits.

Medical underwriting at these ages. Underwriting in the 60s and 70s is real underwriting, and the published evidence grids set expectations plainly: a GP report and nurse medical are the floor at these ages; full blood panels arrive with the six-figure sums where this product lives; cardiac blood tests are standard above €1.5 million; and a fully underwritten case runs **six to ten weeks — up to sixteen** on complex files — which makes the timeline, not the premium, the binding constraint for any family quoting against a diagnosis or a deadline. One consumer protection does not reach here: the industry's cancer-survivors underwriting code applies only to mortgage protection cover, so a remission history remains fully assessable on this product. Three outcomes are common and none ends the plan. *Standard terms*, still the majority outcome for lives in ordinary health. *A rating* — a loaded premium for a disclosed condition, with loadings of 25 to 200 per cent routine for the ordinary conditions of later life — which changes the arithmetic but rarely the answer, because the alternative to loaded cover is an unfunded liability; and the statute itself accommodates the loaded life, easing the minimum-cover ratio from eight times the annual premium to six where the premium carries a medical, health or occupational loading, so a rated policy can still qualify. *A decline* on one life — at which point the plan reroutes rather than dies: cover on the healthier spouse alone, a Section 73 savings route for a lifetime transfer (a savings plan requires no underwriting, which is exactly why the market positions it for lives who cannot obtain Section 72 cover), or retained liquidity earmarked and documented. Waiver and paid-up mechanics also cut in the buyer's favour: premiums waived by the insurer on health grounds are deemed paid for qualification purposes.

Financial underwriting — where the justification is the computation. On sums of this size the office asks the purpose of the cover, and this product carries the cleanest answer in the market: the CAT computation itself. The offices formalise the ask as the sum rises — inheritance-tax questionnaires from around €2 million, independently countersigned above €3 million, with solicitor's and accountant's letters, property and business valuations, and a beneficiary analysis mapping each threshold position — which is precisely Chapter 8's schedule, professionally attested. A family that arrives with it moves through assessment faster and at the right sum. Cover materially above the computed liability invites both underwriting friction and the excess-proceeds tax of Chapter 7; the computation disciplines both.

Consumer status — one page, because the answer is simple. The buyers of this product are natural persons acting outside business, and that places them inside every layer of the consumer-protection architecture without qualification: the revised Consumer Protection Code in force since 24 March 2026, the suitability and disclosure machinery around advice and sale, and the Financial Services and Pensions Ombudsman behind it. There is none of the boundary complexity that business protection generates — MBP-2026-01 Chapter 5 carries that study for readers who hold cover in corporate hands — and the practical content of the protections here is the sale-process discipline of Chapter 17: a documented needs analysis, a computation on file, and advice that records why this instrument, at this sum, on this premium basis.

The designation moment. Everything in this guide depends on one administrative instant: the policy must be **expressly effected under section 72, at inception, in the form approved by Revenue** — the offices obtain approval for their Section 72 contracts as standard, and the buyer's side of the bargain is the designation paperwork completed before the start date, not after. An existing policy cannot be repurposed; a designation missed is missed. Alongside it sit the qualifying mechanics that the buying process must set up correctly on day one: annual premiums paid by the insured — monthly and quarterly payments qualifying as derivatives of an annual premium — with the premium mandate drawn on the insured's own account (the funding routes by which children lawfully support the premium are Chapter 9's subject, and they run through gifts to the parent, not payments to the insurer); the minimum-cover ratio maintained throughout the contract's life; and, on joint contracts, the marriage or civil partnership that the second-death machinery requires. Chapter 17 turns this into a checklist; this chapter's point is simpler — the wrapper is won or lost at the point of sale.

> **Technical basis** — Revenue CAT Manual, Part 09, *Sections 72–73* (verified 15 August 2026): approved-form requirement and provider approval process; express designation at inception; minimum sum assured of eight times the annual premium, **six times where the premium is loaded for medical, health or occupational reasons**, ratios maintained throughout and net of debt; annual premiums by the insured with monthly/quarterly derivatives accepted; waiver-of-premium deemed paid; employer-paid premiums qualifying where taxed as benefit-in-kind without deduction. Statement of Practice SP-CAT/1/04 (approval criteria; carried verified 4 August 2026). Entry windows and underwriting practice: current office material of the writing offices (harvested 15 August 2026; office detail in Ch 25; underwriting-limit specifics pending broker-portal material per source register). Revised Consumer Protection Code, in force 24 March 2026 (carried verified 14 August 2026, MBP register); consumer-boundary study MBP-2026-01 Ch 5. Section 73 for uninsurable lives: Part C. Figures maintained in the shared reference workbook (MRW-2026), where each carries its value, effective date, status and primary source. See Source register.

PART B — SECTION 72 IN PRACTICE

7. What the wrapper does

The wrapper does one thing, precisely: proceeds of a qualifying Section 72 policy are exempt from capital acquisitions tax **to the extent they are actually applied in paying the relevant tax** — the inheritance tax arising on the insured's dispositions, and the income tax charge on an Approved Retirement Fund passing on death. This chapter states the mechanics in the working outline a planning decision needs; MTG Chapter 12 carries the statutory analysis in full, and nothing here substitutes for it.

Five mechanics do the work. **First, the exemption is purpose-shaped, not amount-shaped.** The proceeds are not "tax-free money"; they are exempt only insofar as they discharge the qualifying tax. **Second — and this is the wrapper's quiet second gift — the proceeds are not aggregated.** An ordinary €400,000 legacy to fund the children's tax would itself be a taxable inheritance, consuming thresholds and compounding the problem it tried to solve; Section 72 proceeds applied to the tax stand outside the aggregation machinery entirely, which is why a euro of qualifying proceeds is worth materially more than a euro of ordinary legacy. **Third, the excess has a schedule.** Any proceeds beyond the relevant tax are treated as an ordinary inheritance taken **on the day after the death**, aggregable and taxable as usual — the statute's own discipline against over-insuring, and Chapter 8's reason for sizing at the liability. **Fourth, there is a clock inside the wrapper:** the inheritance the proceeds fund must be taken on or after the death and **not later than one year after it** — in step with the pay-and-file reality of Chapter 2, and a reason the claim process of Chapter 19 cannot drift. **Fifth, on a joint-life second-death contract the statute does the accommodating:** the surviving spouse or civil partner is treated as the insured and deemed to have provided the proceeds, so the wrapper survives the first death intact, with the simultaneous-death and 31-day-survivor extensions closing the timing gaps a family might actually meet.

At the claim, the exemption is applied by computation: the executor returns the estate, the qualifying proceeds are set against the relevant tax per beneficiary, and any shortfall or excess falls where the designation and the general law put it — the working of that apportionment, and the designation mechanics that decide *whose* tax the proceeds may pay, are Chapter 9's subject and Chapter 19's procedure.

> **Technical basis** — CATCA 2003 s.72; TCA 1997 s.784A(4)(c) (ARF tax within "relevant tax"); Revenue CAT Manual, Part 09, *Sections 72–73* (created Sept 2025; verified 15-08-2026): exemption to the extent applied; non-aggregation; excess taken as an inheritance the day after death; one-year limit; joint-lives deemed-provider, simultaneous-death and 31-day machinery. Full analysis MTG-2026-01 Ch 12 (carried verified 04-08-2026). Figures maintained in the shared reference workbook (MRW-2026), where each carries its value, effective date, status and primary source. See Source register.

8. Sizing the cover

The correct sum assured is the answer to a computation, not a round number that felt safe — and the computation is the same one the executor will eventually perform, done early, on today's values, per beneficiary. This chapter is the method; the worked examples at the end of this Part run it on the recurring estates.

The method, in order. *One: schedule the estate* at open-market values — house, funds, deposits, contents, business interests, and the Approved Retirement Fund, which face-value planning forgets because "the pension" feels separate; it is not. *Two: map the beneficiaries* and their true threshold positions, which means prior aggregable benefits since 1991, not the assumption that every child stands at a full €400,000 — a child who took a €100,000 site gift stands at €300,000, and the computation moves accordingly. *Three: apply the reliefs honestly*, which means computing the residues of Chapter 4 rather than the headlines: the unrelieved surplus assets inside a qualifying company, the relief that fails its conditions, the beneficiary who does not qualify. MTG CS9 is the discipline — a €2.5 million company whose owner assumed nil and whose computation says €188,100. *Four: add the ARF line* — the s.784A charge on the fund passing at the relevant death — which in the ARF-heavy estate is the largest number on the page. *Five: compute per beneficiary and sum.* That total, not the estate value, is the liability; **the cover equals the liability**, rounded sensibly upward, never at "the estate" — the excess-proceeds rule of Chapter 7 taxes over-insurance, and the premium buys nothing the computation did not order.

Then size for time, because the computation is a photograph of a moving subject. Chapter 2's arithmetic — assets drifting at 6.2% a year against static thresholds — means today's €200,000 liability is not the liability the claim will meet in 2046. Three tools keep the sum honest across the decades: *indexation*, taken at outset where the drift case is clear, understood as a bridge through the earlier years rather than a lifetime answer; *guaranteed insurability options*, exercised on the events that actually move the liability, while the exercise window is open; and — the one that costs nothing and does the most — *the annual review of Chapter 18*, which reruns this chapter's computation against the Budget's thresholds, the year's values and the family's changes, and adjusts while adjustment is still possible. **And size for contingency:** where a relief carries a six-year clawback, the honest schedule shows two numbers — the liability if conditions hold and the liability if they fail — and the plan documents which is insured and why; a level whole-of-life sum against the first, with the differential consciously accepted or separately covered for the clawback window, is a decision, and this chapter's only rule is that it be made on paper rather than by silence.

> **Technical basis** — CATCA 2003: aggregation of prior benefits within group thresholds (from 5 December 1991); agricultural and business reliefs and six-year clawbacks; TCA 1997 s.784A. Computation discipline and cases: MTG-2026-01 Ch 11, CS8, CS9 (carried verified 04-08-2026). Asset drift: CSO RPPI, May 2026 (verified 14-08-2026). Figures maintained in the shared reference workbook (MRW-2026), where each carries its value, effective date, status and primary source. See Source register.

9. Structuring

Structure is three decisions — whose lives, whose money, whose tax — and each has a statutory right answer that the paperwork must then implement exactly.

Whose lives. For a married couple or civil partners the default is **joint-life second-death**, because Chapter 4's logic puts the liability at the second death and the premium should buy nothing sooner. The exceptions are real and identifiable: where meaningful benefits pass to non-exempt beneficiaries at the *first* death — the will that sends the holiday home to the children immediately, the blended family, the estate equalised in stages — a first-death liability exists and the structure follows it, with single-life cover on the relevant life or dual cover where both deaths carry tax. A person holding only a **life interest** can insure in their sole name for the benefit of those who take on its expiry — the statute provides for exactly this. And the **unmarried couple** cannot use the joint machinery at all: their structure is assembled from single-life contracts, each insuring the tax their own dispositions will trigger, deliberately and with advice — the tax in MTG Chapter 14.

Whose money. The qualifying condition is unforgiving: **annual premiums paid by the insured, during the insured's life** — monthly and quarterly payments qualify as derivatives of an annual premium, a waiver benefit on health grounds counts as paid, and an employer may pay where the premium is taxed as benefit-in-kind — but the children may not simply pay the insurer, however natural that feels for a policy that exists for their benefit. The lawful funding route runs the other way: **each child may gift each parent €3,000 a year within the small gift exemption**

— €6,000 per parent from a child and their spouse — and the parents pay the premium from their own account. Two children and their spouses can put €24,000 a year into their parents' hands without touching a threshold; the CS7-scale premium is funded several times over, the condition is met to the letter, and the mandate on the insured's own account is the audit trail. Set the direct debit on the wrong account and the wrapper is at risk from month one.

Whose tax. The proceeds pay only the relevant tax on dispositions **the insured actually made** — and the estate must say so. The designation runs through one of three channels: the will (proceeds to the executors on trust to pay the relevant tax, or to a named successor for that purpose), a trust effected with the policy (the offices provide standard Section 72 trust forms), or the policy's own terms, including contingent designations for the order-of-deaths cases the statute's 31-day machinery contemplates. The cautionary case is Revenue's own: an insured who left everything, policy included, to one son absolutely, while a house share passed to his brother by survivorship — **the proceeds could not pay the brother's tax, because the insured had made no disposition to that effect.** A Section 72 policy without a matching will is half a structure; the solicitor drafting the will and the adviser arranging the cover are working on the same instrument, and Chapter 17's process makes them talk to each other.

> **Technical basis** — Revenue CAT Manual, Part 09, *Sections 72–73* (verified 15-08-2026): single and joint-life approved forms; joint policies confined to spouses/civil partners, premiums by either or both and by the survivor; life-interest policies; contingent designation and 31-day survivorship; annual premiums by the insured, monthly/quarterly derivatives, waiver and employer-BIK treatments; designation via will, trust or policy terms, and the no-disposition example. CATCA 2003 small gift exemption. Cohabitants: MTG-2026-01 Ch 14. Figures maintained in the shared reference workbook (MRW-2026), where each carries its value, effective date, status and primary source. See Source register.

10. Sustainability — the chapter the market needs

Every failure mode of Section 72 planning is a sustainability failure. Nobody loses because the wrapper malfunctioned; they lose because a contract that had to run thirty years was engineered to run fifteen — priced to be repriced, bought to be replaced, or funded on optimism. This chapter prices the failure modes, because a recommendation that ignores them is a sales document.

Lapse is total loss, and the loss is double. Stop paying on the plain contract and the cover is gone, the premiums are gone — and, uniquely to this product, the *designation* is gone: a Section 72 policy that ceases to qualify **cannot be revived or have its status reinstated**, and re-entry means fresh underwriting at an older age inside a closing entry window, if the door is open at all. The offices' reinstatement windows for a missed premium are measured in days and months, not years; the plan should never meet them.

The 50% rule fails quietly. Qualification also dies without a lapse: where the net premium in any continuous twelve months falls below half the premium of any other twelve months — or of the first year — the policy ceases to qualify. (In the policy's first eight years the test runs both ways — the premium in any twelve months may be neither less than half nor more than double any other's — which is why the offices tie every premium change to a proportional change in sum assured, keeping the structure inside the permitted exceptions.) A family that "cuts back for a while" can lose the wrapper while the policy stays in force. The statute's own outs exist for Section 72 only: a premium change from **the insurer's review**, a **change in the sum assured**, or a **paid-up election after eight years** — and the third is the important one, because a properly designed paid-up option preserves the designation on a reduced benefit, converting a funding crisis into a smaller plan instead of no plan.

Reviewable contracts move the cliff to the worst age. The reviewable basis starts cheaper because the office keeps the right to reprice — and the repricing arrives at 75 and 85, against older-age mortality, on a book whose healthiest lives have left, presented to an insured who can neither re-enter the market nor absorb the increase, holding a contract that cannot be replaced without destroying the designation. The holder's real choice at that review is pay whatever is asked, cut the sum assured, or lapse — three doors, none good. **The current new-business market has settled the question by design — all three writing offices issue guaranteed, non-reviewable premiums — but the risk is not history: legacy reviewable Section 72 books remain in force,** their reviews land at exactly these ages, and one narrow door exists for their holders: an existing-customer conversion product moving up to €30,000 onto guaranteed terms without medical evidence — small against most liabilities, but not nothing for the otherwise uninsurable. The guaranteed basis is what the market now sells and this guide recommends; the honest statement of what it buys is the absence of the meeting at 85.

Replacement is the trap wearing a helpful face. "We can get the same cover cheaper" is, for this product, a category error: the designation exists only in the contract that carries it, so switching is surrender plus a new application — new age, new underwriting, new first-day designation — and the saving on the quote is frequently the cost of a decade of ageing crystallised. Alterations *within* the contract (sum-assured changes, indexation elections, GIO exercises, the paid-up option) live safely inside the wrapper; the alteration that crosses contracts kills it. Chapter 18 gives the rule of thumb: amend inside, never replace across, and any broker proposing replacement of a Section 72 policy should be asked to put the designation analysis in writing.

Engineering sustainability is done at purchase, not in the crisis. Right-size per Chapter 8, so the premium funds a computed liability rather than a fear. Hold the premium in a dedicated direct-debit account carrying a three-to-six-month buffer, checked at the annual review — the cheapest mitigation of the costliest failure, and the one that saves the irregular-income household (the business owner, the farmer) whose worst month must not become the plan's last. Fund per Chapter 9 — the small-gift rota shares the cost across the generation that benefits, and survives one child's redundancy where a single payer might not. Prefer the guaranteed basis. Understand the exits before signing: the paid-up formula (on one office's current terms, a reduced benefit proportional to premiums paid against premiums due to the ceasing age), and the cash options that convert a stopped Section 72 plan toward a Section 73 opportunity — usable only by a living insured who makes the lifetime gift within a year, with both reliefs lost if the gift is not made. Exits are consolations, not strategies; the strategy is a premium the household can pay in every version of the next thirty years.

> **Technical basis** — Revenue CAT Manual, Part 09, *Sections 72–73* (verified 15-08-2026): cessation events; the 50% net-premium rule and its s.72-only exceptions (insurer review, sum-assured change, post-8-year paid-up); no revival after lapse; s.72→s.73 conversion routes and their conditions. Both premium bases current in the market: office material and author confirmation, 15-08-2026 (per-office positions in Ch 25). Product mechanics (reinstatement windows; paid-up and cashback formulae) from one office's current key features, harvested 15-08-2026 — office detail in Ch 25. Figures maintained in the shared reference workbook (MRW-2026), where each carries its value, effective date, status and primary source. See Source register.

11. Tax in outline

One page, as promised, and the table below is the whole of it at working level — MTG Chapter 12 carries every line in depth, and its CS7–CS11 run the numbers.

Event	Treatment	Where analysed
Proceeds applied to relevant tax (inheritance tax; ARF charge)	Exempt from CAT; **outside aggregation**	MTG Ch 12
Proceeds beyond the relevant tax	Ordinary inheritance taken the **day after death**; aggregable	MTG Ch 12
The funded inheritance itself	Must be taken within **one year of the death**	MTG Ch 12
Premiums paid by the insured	No tax relief; not gifts to anyone	MTG Ch 12

Children's €3,000 gifts to parents funding premiums	Gifts within the small gift exemption; no threshold consumed	MTG Ch 11
Government levy on premiums	1% on life premiums, collected by the office	MTG Ch 2
Joint-life second-death proceeds	Survivor deemed the insured and provider; wrapper intact	MTG Ch 12
Policy ceasing to qualify	No exemption; proceeds fall into the ordinary CAT machinery	MTG Ch 12

Technical basis — CATCA 2003 s.72; TCA 1997 s.784A(4)(c); Revenue CAT Manual, Part 09 (verified 15-08-2026); MTG-2026-01 Chs 2, 11–12 (carried verified 04-08-2026). Figures maintained in the shared reference workbook (MRW-2026), where each carries its value, effective date, status and primary source. See Source register.

Part B worked examples

The series' fixed template; premiums are labelled assumptions throughout; shared fact patterns are cited to their tax computations rather than reworked. This guide's examples carry the MIP WE numbering.

MIP WE1 — The €2 million estate, purchase to claim. *Facts:* shared with MTG CS7 — a married couple, both 60, estate €2,000,000, two adult children, thresholds intact. The computation (MTG CS7): €1,000,000 to each child at the second death, €600,000 taxable each, **€396,000 of tax in total**. *The purchase:* joint-life second-death, guaranteed premiums, sum assured €400,000, expressly effected under s.72 at inception with the designation in both the policy trust and the mirrored wills; premium an assumed €6,000 a year, funded comfortably by the children's small-gift rota (€12,000 a year from two children and spouses to each parent's account). *The decades:* the annual review of Chapter 18 tracks Budgets and values; a GIO exercise or sum adjustment stays inside the wrapper. *The claim:* second death at 88; the executor returns the estate, the €400,000 pays the €396,000 of relevant tax exempt and outside aggregation, and the €4,000 excess is a small taxable inheritance taken the day after death. *The ledger:* to joint life expectancy the couple paid roughly €180,000 of premiums to fund €396,000 of tax — **≈ €2.20 of tax funded per euro of premium** — and the arithmetic in which they "lose" begins beyond age 126. (MTG CS7 carries the computation; Chapter 24 carries the misconception.)

MIP WE2 — The ARF-heavy estate: when the biggest tax isn't CAT. *Facts (new):* Anne, 68, widowed; home €550,000, deposits €50,000, and an ARF of €800,000; two children in their thirties, thresholds intact. *The face-value reading:* €600,000 of conventional estate split two ways sits inside two €400,000 thresholds — "no inheritance tax problem." *The computation:* the ARF passing to children over 21 meets the s.784A charge — 30% income tax, **€240,000** — before the CAT computation even begins (the fund is then outside CAT in the children's hands; the balance of the estate passes within thresholds). The entire €240,000 liability is the pension line the face-value reading missed. *The structure:* s.784A tax is expressly within s.72's relevant tax; a single-life guaranteed policy of €240,000, designated at inception, premium an assumed €8,400 a year at 68 — with the annual review resizing as drawdowns and growth move the fund. *The lesson:* Chapter 8's step four exists because the largest line in the modern estate is frequently the one the family thinks of as "the pension sorting itself out." (Regime and rates: MTG Ch 12.)

MIP WE3 — The house-rich Dublin estate: the honest computation first. *Facts (new):* Tom, 74, widowed; a Dublin home worth €850,000, savings €40,000, State pension only; one daughter, who owns her own apartment. *The map, worked in Chapter 4's order:* the dwelling house exemption fails at the first test — the daughter's own apartment is a beneficial interest in another dwelling — and no relief applies; taxable inheritance €890,000 − €400,000 = €490,000; **tax €161,700**, against €40,000 of liquidity. *The fork, aired honestly:* if the daughter intends to sell the house, the problem is a timing bridge — the tax falls due on the pay-and-file clock while the sale completes, manageable by Revenue instalment arrangements (with interest) or short bridging, and cover may be the wrong answer; if she intends to keep it — her family's next home — the tax must be funded or the house borrowed against, and cover is exactly the answer. *The structure chosen:* she intends to keep it; a single-life guaranteed policy of €165,000 at 74 — inside the entry window with nothing to spare — at an assumed €11,300 a year, funded by the daughter's and her spouse's gifts of €6,000 a year to Tom with the balance from Tom's own means. *The lesson:* Chapter 6's closing ages are not decoration — at 75 this plan is not available — and the counter-case (planned sale) deserved its hearing before a premium was spent.

MIP WE4 — The company owner's residue: sizing at €190,000, not €700,000. *Facts:* shared with MTG CS9 — a trading company worth €2.5 million, married owner, children to succeed. The unrelieved fear is €700,000-plus of tax; the computation with business relief honestly applied (MTG CS9) is **€188,100** — the unrelieved surplus assets plus the relieved residue. *The structure:* joint-life second-death, guaranteed, €190,000, at an assumed €3,300 a year — a premium proportioned to the computed liability, not the fear. *The contingency, documented:* the relief claws back if the qualifying conditions fail within six years of the inheritance; the differential between €188,100 and the unrelieved figure is a real, dated exposure, and the plan records the decision — here, accepted and minuted, with the successor's commitment to the business the operative protection; a family wanting belt-and-braces prices a separate term overlay for the clawback window instead of inflating the whole-of-life sum. *The lesson:* reliefs shrink the number; they do not delete the computation — and over-insuring a relieved estate hands the excess-proceeds rule a gift.

MIP WE5 — The unfunded counterfactual: the same estate, no cover. *Facts:* MTG CS7's estate, with the policy never bought — MBP WE8's device, transposed to the kitchen table. The second parent dies in February; probate grants in September; the valuation date falls in the year to 31 August, and **€396,000 is due by 31 October** — inside twenty months of the death, from an estate that is a house and an investment portfolio. *The executor's three doors:* sell the family home into a deadline (months of process, sale costs, and a buyer who can smell the clock); borrow against the grant (arrangement fees and interest on €396,000 for as long as the sale or liquidation takes); or apply for instalments (available only for qualifying property, interest-bearing throughout — finance, not relief; MTG Chs 11, 16). *The ledger, side by side:* the funded family of WE1 paid ≈ €180,000 of level, chosen premiums across thirty years; the unfunded family pays €396,000 plus interest and costs, in eight months, at the exact moment of bereavement — and may pay it with the house itself. *The lesson:* the premium was never the expensive option; it was the price of choosing the timing.

Technical basis (Part B examples) — MTG-2026-01 CS7 and CS9 computations carried whole (verified 04-08-2026); s.784A regime per MTG Ch 12; pay-and-file clock and instalments per MTG Chs 11, 16; all premiums are labelled assumptions on the guaranteed basis, illustrative only — current quotations vary by office, age, health and basis (Ch 25; point of advice). Figures maintained in the shared reference workbook (MRW-2026), where each carries its value, effective date, status and primary source. See Source register.

PART C — SECTION 73, COMPREHENSIVELY

12. The lifetime transfer problem

Families do not wait for death to hand over farms and companies, and the receipts prove it: gift tax collected €146.6 million in 2025, nearly double the 2023 figure, €100.9 million of it parent-to-child. The reasons are structural, not sentimental, and each one points at a date chosen in advance — which is precisely what makes the funding problem different from Part B's.

Why the transfer happens in lifetime. *The reliefs reward it.* Agricultural and business relief conditions — the active farmer, the qualifying business — are tested and settled on a chosen day, with the successor installed and provable, instead of gambled on whatever the facts happen to be at an unplanned death. *The capital gains clock rewards timing too:* the disponer's retirement-relief windows turn on age bands, so the difference between transferring in one age band and the next is measured in real money, and families pick the date accordingly (the CGT side is outside this guide; the workbook carries the parameters and the point here is only that it fixes dates). *Succession certainty:* the farm handed over at 70 is run by the child at 70, not contested at 85. *Growth migrates:* every year of appreciation after the transfer accrues in the successor's hands, outside the estate that Chapter 2 measured drifting at 6.2% against static thresholds. *And the Fair Deal look-back* rewards transfers made five clear years before care is needed — a boundary fact (Chapter 4), but one that fixes dates like the others.

What the transfer triggers. Gift tax — the same 33%, the same thresholds, the same reliefs and residues as Part B, but crystallising on **a chosen, knowable date**, often a decade away. A liability with a date certain is not an insurance problem; nothing contingent is being transferred to an insurer. It is a *funding* problem — accumulate the right amount by the right date — and the statute provides a purpose-built savings wrapper for exactly that. Part C is that wrapper, treated with the same candour as Part B: what it is, what it is not, and the clock that governs everything about it.

> **Technical basis** — Revenue net receipts series (verified 15-08-2026): gift tax 2025 €146.6m (2023: €75.1m), Group A €100.9m. Reliefs and clawbacks: MTG-2026-01 Ch 11. Retirement relief age bands: workbook codes below (CGT is outside scope; MBP-2026-01 carries the business-transfer side). Fair Deal look-back: MTG Ch 26. Figures maintained in the shared reference workbook (MRW-2026), where each carries its value, effective date, status and primary source. See Source register.

13. The instrument

A Section 73 policy is a savings contract, and this guide will not let the reader forget it, because the market's confusion between the two sections begins exactly here. There is no sum assured, no underwriting, no insurer promising an amount: there is a plan into which premiums are paid, funds in which they grow or fall with markets, and a statutory endorsement that makes the eventual proceeds usable against gift tax without themselves becoming a taxable gift. Layer by layer:

Layer one — the savings contract. An ordinary life-office savings plan: regular premiums into unit-linked funds, with market risk carried by the saver. The plan's value at the end is whatever the contributions and the markets made it — which is why every projection in Part C is a labelled assumption, and why sizing (Chapter 14) plans a contribution rate rather than promising an outcome.

Layer two — the tax the wrapper does not touch. Life-policy savings grow under gross roll-up with **exit tax on the growth** — currently 38% — collected at chargeable events including encashment and the deemed events on the policy's eight-year anniversaries. **The Section 73 relief does nothing to this layer.** The exit tax is paid on the growth first, in full; the relief operates only on the CAT side of what happens next. A reader promised "tax-free savings" has been sold the confusion this Part exists to correct.

Layer three — qualification, won at the start and held throughout. The policy must be in the Revenue-approved form and **expressly endorsed under section 73 at the outset — an existing savings plan can never be converted**. Premiums must be paid by the policyholder — the disponer who will make the gift — annually, with monthly and quarterly payments qualifying as derivatives; joint ownership is confined to spouses and civil partners. The premiums must run for **at least eight years**, and the consistency rule polices the whole life of the plan: the *net* premium (premiums less any benefits taken) in any continuous twelve months must not fall below half that of any other twelve months or of the first year. Cease paying inside the eight years and the relief is dead — and **a lapsed policy cannot be revived for relief purposes**. After the eighth year, premiums may cease without loss of status; nothing further may then be added.

Layer four — the appointed date and the relief. Proceeds become available for relief on the "appointed date," which must be **more than eight years after the policy is effected** — shortened only by the death or critical illness of the insured or their spouse or civil partner. More than one benefit can be drawn, so a plan can have several appointed dates funding several staged gifts. The relief itself is then narrow and mechanical: proceeds are exempt from CAT **to the extent they are applied, within one year of the appointed date, in paying gift tax on an inter vivos disposition made by the insured**. Expressly excluded: inheritance tax — a Section 73 policy is no use against the tax that arrives at death — and tax on appointments out of a discretionary trust the insured created.

Layer five — the exits, graceful and otherwise. If the planned transfer never happens, the policy is simply what it always was: a savings plan, encashable at will, exit tax on the growth, no relief needed because no gift tax arose — the graceful failure that makes Section 73 a low-regret commitment. The ungraceful exits are the timing ones: proceeds taken but **the gift not made within the year** leaves an ordinary encashment and, if the cash is handed over anyway, an ordinary taxable gift; and the insured **dying after the proceeds become available but before making the transfer** loses the exemption entirely — the proceeds fall into the estate, and the plan that waited eight years fails in its last month. Chapter 14's sequencing exists to prevent exactly that.

> **Technical basis** — CATCA 2003 s.73; Revenue CAT Manual, Part 09, *Sections 72–73* (verified 15-08-2026): approved form and outset endorsement; annual premiums by the policyholder, eight-year minimum, derivatives, net-premium consistency, no revival; appointed date and its shortening; multiple appointed dates; one-year gift window; discretionary-trust exclusion; unused proceeds deemed a gift. Exit tax: TCA 1997 Part 26 Ch 5 (MTG-2026-01 Ch 2); office statement of the layering per the March 2026 s.73 customer guide read in full (harvest pack). Figures maintained in the shared reference workbook (MRW-2026), where each carries its value, effective date, status and primary source. See Source register.

14. Using Section 73

Section 73 planning is calendar work. The instrument has one hard clock — eight years of premiums before the appointed date — and the plan succeeds or fails on how that clock is laid against the family's transfer date, decided in Chapter 12 for reasons that had nothing to do with insurance.

Sequence the clock first. The policy must be effected, endorsed, and funded **at least eight years before the intended transfer** — so the farmer who means to hand over at 70 starts at or before 62, and the one who first thinks about it at 66 has a decision to make: move the transfer date, or accept that the gift tax will be funded some other way. The clock cannot be compressed, back-dated, or grafted onto an existing savings plan. Where the transfer date is soft, start anyway: multiple appointed dates mean an early start never hurts, while a late start cannot be cured.

Size against the projected liability, honestly. The target is the gift tax expected on the transfer date: the asset's *projected* value, the reliefs as they will honestly apply, the successor's threshold position *then* (net of everything aggregable since 1991), at the current rate — every input a labelled assumption, revisited annually exactly as Chapter 8 revisits the death-side computation. Two honesty rules govern. Where the relieved computation says the gift tax will be modest, the right plan is a modest one — Section 73 is not improved by over-funding, since the excess is just savings that paid exit tax. And where the real exposure is the *relief failing* rather than the relief holding, say so: the plan can target the conditions-hold figure with the differential documented, or split the difference, but the decision is written down, not defaulted.

Fund with the consistency rule in mind. Level premiums the household can hold for eight years beat ambitious ones that get halved in year five — the 50% net-premium rule turns a quiet affordability wobble into a dead wrapper. Partial encashments along the way reduce the *net* premium and can trip the same wire; a Section 73 plan is not the family's rainy-day account, and treating it as one costs the relief. After year eight, premiums may stop with status intact — a legitimate design for the saver who wants eight sharp years of funding and then a holding pattern to the transfer.

Execute the ending precisely. At the transfer: encash on or after the appointed date, complete the gift, and see the gift tax paid — all within the one-year window, with the paperwork tying the proceeds to the tax. The stagings work too: successive appointed dates funding successive tranches of a phased handover. And keep the failure branches in view: transfer postponed — keep the plan running, nothing is lost; transfer abandoned — encash as ordinary savings, exit tax only; the insured's death before the transfer — the plan becomes an estate asset, unless it rides the interchangeability bridge of Chapter 15; and the one branch with no recovery — proceeds in hand, gift unmade, insured dies — which is why the encashment and the deed of transfer belong in the same season, not the same decade.

Who it fits, and who should not bother. It fits the disposer with a real, dated transfer plan eight-plus years out; the family whose relief residues make the gift tax computable and material; and — a use the market underrates — **the life who cannot get Section 72 cover**: Section 73 requires no underwriting, so the uninsurable disposer's lifetime transfer can be funded when the death-side never could be. It does not fit the family with no genuine transfer intention (a savings plan needs no wrapper), the horizon shorter than the clock, or the liability so small that eight years of the €3,000 small-gift exemption would move the money more simply.

> **Technical basis** — as Ch 13; sequencing and failure branches per the CAT Manual's conditions and worked example (the die-before-transfer case) and the March 2026 office guide. Uninsurable-lives positioning corroborated by cross-border office adviser material (Aug 2024; boundary note, Ch 25). Figures maintained in the shared reference workbook (MRW-2026), where each carries its value, effective date, status and primary source. See Source register.

15. Section 72 and Section 73 together

The two sections are siblings, and the market treats them as twins. They are not. One funds the tax that arrives at a death; the other funds the tax a living person's planned gift will trigger. One is insurance — an underwritten promise of a sum on a contingency; the other is savings — an accumulation with market risk and an exit-tax layer. One pays at a date nobody chooses; the other at a date nobody but the family chooses. Every sentence of confusion between them costs somebody money, usually at a claim.

	Section 72	Section 73
Instrument	Whole of life **insurance**	**Savings** plan
Funds	Inheritance tax and the ARF charge	Gift tax on the insured's lifetime disposition
Trigger	Death (second death on joint contracts)	The appointed date — chosen, 8+ years out
Underwriting	Yes — and it prices the plan	None
Premium condition	Annual, by the insured, for life (paid-up options aside)	Annual, by the policyholder, 8 years minimum
Growth taxation	n/a	Gross roll-up; exit tax on growth
The relief's edge	Excess proceeds taxed the day after death	Gift within one year, or no relief

The statutory bridge — narrow, conditional, real. Revenue's rules let each section stand in for the other in defined circumstances, and the current market builds products on exactly these provisions. **A Section 72 policy may serve as a Section 73 policy** in two cases: where it carries an early-encashment clause and is encashed at least eight years after effect, or where a critical- or terminal-illness claim is admitted — in either case the proceeds, applied within a year to gift tax on the insured's lifetime gift, take the s.73 relief (the s.72 status itself is spent). One office's cash and terminal-illness options implement both routes in product form, with the honest warning attached: **if the lifetime gift is not made within the year, both reliefs are lost.** In the other direction, **a Section 73 policy whose proceeds become payable on the insured's death may serve as a Section 72 policy**, provided it would have qualified had it been effected under that section — the savings plan's death-branch safety net. The bridge is a set of contingency valves, not equivalence: nobody should buy one section intending to use the other.

When an estate genuinely runs both. The pattern is the two-liability family: a farm or company crossing in lifetime on a chosen date, and a residual estate — house, funds, the ARF — crossing at death. The Section 73 plan is laid eight-plus years ahead of the transfer and funds its gift tax; the Section 72 contract, bought at the same kitchen table, stands against the death-side computation of Chapter 8, resized at the annual review once the transfer completes and the estate shrinks. One family, one timeline, two instruments each doing the only job it can do — worked at MIP WE7 below.

> **Technical basis** — Revenue CAT Manual, Part 09, §3.3 interchangeability (verified 15-08-2026); product implementations per one office's current key features (harvested 15-08-2026; Ch 25). See Source register.

16. Tax in outline

Event	Treatment	Where analysed
Premiums into the s.73 plan	No relief; the policyholder's own money	MTG Ch 12
Growth in the plan	Gross roll-up; **exit tax on growth** at chargeable events, incl. 8-year deemed events	MTG Ch 2
Proceeds applied to gift tax within one year of the appointed date	Exempt from CAT to that extent	MTG Ch 12
Proceeds not so applied but gifted anyway	Ordinary taxable gift	MTG Ch 12
Transfer never made	Ordinary savings encashment; exit tax only; no CAT event	MTG Ch 2
Inheritance tax	**Never relieved by s.73**	MTG Ch 12
Death of the insured	Proceeds to the estate; possible s.72 qualification via §3.3	MTG Ch 12
Discretionary-trust appointments by the insured	Outside the relief	MTG Ch 12

> **Technical basis** — CATCA 2003 s.73; TCA 1997 Part 26 Ch 5; Revenue CAT Manual Part 09 (verified 15-08-2026); MTG-2026-01 Chs 2, 12 (carried verified 04-08-2026). Figures maintained in the shared reference workbook (MRW-2026), where each carries its value, effective date, status and primary

source. See Source register.

Part C worked examples

MIP WE6 — The farm transfer at 70: the clock laid against the date. *Facts:* shared fact pattern with MTG CS8 (the farm and the relief conditions; the tax analysis lives there). Michael, 62, farms 120 acres; his daughter, the qualifying successor, will take the farm **at his 70th birthday** — a date fixed by the family for the reasons of Chapter 12. Her Group A threshold is already fully consumed by prior aggregable benefits (a site and earlier gifts). *The projection, every input a labelled assumption:* farm value at transfer €1,600,000; agricultural relief honestly expected to hold → taxable value €160,000; threshold nil → **projected gift tax ≈ €52,800** at the current rate. *The plan:* a Section 73 plan effected now — 62 to 70 is the eight-year clock with nothing to spare — endorsed at outset, funded at an assumed €500 a month; at an assumed growth rate net of charges the plan is projected around the target by the appointed date, with the annual review adjusting contributions as the projection moves. *The ending:* transfer executed at 70; encashment, deed and gift-tax payment inside the same year. *The contingency, minuted:* if the relief failed, the liability would be roughly €528,000, not €52,800 — the family documents that this ten-fold differential is managed by the conditions themselves (the daughter's qualifying status), not by the savings plan. *The lesson:* start on the eighth year or move the date — and size to the relieved computation, not the fear.

MIP WE7 — The both-instruments estate: one family, one timeline. *Facts (new):* Seán, 62, and Máire, 60; a trading company Seán will transfer to their son **at 70**; a residual estate — home, investments, Seán's ARF — passing to both children at the second death. *The timeline, laid once:* **at 62**, two instruments start the same month: a Section 73 plan (endorsed at outset, eight-year clock to the transfer, sized per WE6's method against the projected gift tax on the relieved company) and a Section 72 joint-life second-death guaranteed contract, sized per Chapter 8 against the *current* death-side computation — which today includes the company. **At 70**, the company transfers; the s.73 proceeds fund its gift tax inside the year; and the annual review then *resizes the s.72 cover downward*, because the estate just shrank by the company and the wrapper's excess-proceeds rule punishes yesterday's sum assured. **At the second death**, the s.72 contract meets the residual computation — house, funds, and the ARF charge — as Part B's machinery. *The lesson:* the instruments never compete, because they never could — different taxes, different triggers — and the only coordination they need is a review discipline that lets each event resize the other.

MIP WE8 — Equalisation funded through cover: treating children fairly around a relieved asset. *Facts:* shared fact pattern with MTG CS19 (the equalisation problem; the tax analysis lives there). One child takes the relieved farm and pays little; two siblings take cash legacies and consume their thresholds in full — fairness measured in after-tax outcomes, not headline bequests. *The product-side re-entry:* the parents' Section 72 cover is sized not at the estate's total tax but at **the computation that makes the outcomes equal** — the cash-taking children's liabilities funded in full, so their legacies arrive whole, with the designation of Chapter 9 naming whose tax the proceeds pay (the will and the policy trust doing it expressly; the no-disposition trap of Chapter 9 is fatal precisely here). Where the equalisation is instead done by *lifetime* gifts to the non-farming children, the funding instrument flips to Section 73 on the same eight-year discipline as WE6. *The lesson:* equalisation is a designation problem wearing a sizing problem's clothes — the sum assured answers the computation, but only the paperwork decides who is made whole.

Technical basis (Part C examples) — Relief-condition and equalisation analyses: MTG-2026-01 CS8, CS19 (carried verified 04-08-2026; cited, not reworked). All values, growth rates and premiums are labelled assumptions; s.73 outcomes carry market risk and are not guaranteed. Figures maintained in the shared reference workbook (MRW-2026), where each carries its value, effective date, status and primary source. See Source register.

PART D — IMPLEMENTATION AND ADMINISTRATION

17. The buying process

Administration is content in this guide, because a Section 72 plan is won or lost on paperwork: the statute's conditions are administrative conditions, and every one of them is set — correctly or fatally — during the weeks this chapter covers.

Before the application: the computation. The process starts with Chapter 8's schedule, not a quote. The computation decides whether cover is needed at all (the counter-cases of Chapter 4 get their hearing here), what sum is justified, and which structure of Chapter 9 fits — and the same document then does double duty as the financial-underwriting evidence, because on these sums the office will ask what the cover is for, and "here is the CAT computation" is the complete answer. The trigger conversation, in practice, often starts with the adult children — who have done their own arithmetic — and the process should welcome that while keeping the legal machinery pointed at the right people: the parents are the clients, the insureds, the premium payers and the disponers; the children are, at most, the funders of gifts under Chapter 9's rota.

Advice, documented. These buyers are natural-person consumers inside the full protection framework (Chapter 6; the consumer study at MBP-2026-01 Chapter 5), and the sale-process discipline is concrete: a needs analysis on file, the computation attached, and a written statement of why this instrument, at this sum, on this premium basis — with the guaranteed-versus-reviewable choice recorded as a decision, not a default, since Chapter 10 established that it is the single most consequential line on the application and the current market sells both.

The application: answer what is asked, completely. Underwriting at these ages is real (Chapter 6), and the disclosure duty in the modern regime is framed by the office's questions — the applicant's job is to answer them honestly and in full, with the GP's records agreeing. Shortcuts here surface twenty-five years later, at a claim, in the hands of a grieving executor. Ratings are managed, not feared: the loaded premium changes the arithmetic, the 6× minimum-sum accommodation keeps the wrapper available, and a decline reroutes the plan per Chapter 6 rather than ending it.

The offer: check the five lines that matter. When terms issue, verify against the file before accepting: the **basis** (guaranteed, if that is what was advised); the **sum** (the computation's number); the **lives and structure** (single or joint-second-death as designed); the **elections** (indexation taken or declined as a decision; guaranteed-insurability options noted with their exercise windows); and the **ratings or exclusions**, understood and accepted in writing.

The designation moment, operationalised. Three documents move together at inception, and none can be retrofitted. The **Section 72 endorsement** — the policy expressly effected under the section on the office's approved form, before the start date. The **trust or will designation** — the office's Section 72 trust form completed, or the will's clause drafted, so the proceeds are directed to the relevant tax of the intended beneficiaries; this is the step that dies quietly when the adviser and the solicitor never speak, and the no-disposition case of Chapter 9 is the price. And the **premium mandate on the insured's own account** — annual, or monthly as its derivative — with the children's funding, where used, arriving as €3,000 gifts *into that account*, never as payments to the office. Diarise the first premium; a plan that fails to start has bought nothing.

Close the file properly. The policy schedule, the endorsement, the trust form or will reference, the computation, the advice record and the mandate details go into the policy register of Chapter 18 — and a copy of the register's entry goes wherever the will lives, because the first reader who truly needs it will be an executor.

> **Technical basis** — Revenue CAT Manual, Part 09 (verified 15-08-2026): approved forms and express effecting; premium conditions and derivatives; designation channels. Consumer framework: revised CPC in force 24-03-2026; MBP-2026-01 Ch 5 (carried verified). Figures maintained in the shared reference workbook (MRW-2026), where each carries its value, effective date, status and primary source. See Source register.

18. Living with the cover

A Section 72 plan is not filed and forgotten; it is maintained — lightly, annually, and by agenda. The liability it funds moves every year, the wrapper's conditions run every year, and the options that keep the plan honest expire on birthdays. One review a year, four questions long, is the whole discipline.

The annual review, by agenda. *One: the Budget.* Thresholds, rates and reliefs move on Budget day; the computation is rerun against the workbook's updated figures, and the gap between liability and cover is measured, not guessed. *Two: the assets.* House values on the year's published medians, fund and ARF balances on the statements, the business on its current worth — Chapter 2's 6.2% drift is the default assumption until the numbers say otherwise. *Three: the family.* Marriages, births, inheritances received, benefits given (which consume thresholds), and — the WE7 event — transfers completed, which shrink the death-side computation and should shrink the cover with it, because the excess-proceeds rule taxes yesterday's sum assured. *Four: the plan itself.* The premium paid without interruption (the 50% rule polices cuts as well as stops); this year's indexation invitation accepted or declined **as a decision**; and any guaranteed-insurability event of the past year — an inheritance received, a rate change, asset growth — exercised while the option's age window is still open, since an unexercised option at 66 is just a paragraph in an old policy document.

Safe changes and the fatal one. Inside the contract, the plan flexes: sum-assured adjustments, indexation elections, GIO exercises, and — in a funding crisis after eight years — the paid-up election that keeps the wrapper alive on a reduced benefit. Across contracts, it does not: replacement is surrender plus a new designation at a new age, and Chapter 10's rule stands — **amend inside, never replace across**, and any replacement proposal for a Section 72 policy is asked for its designation analysis in writing before it is discussed further.

The policy register — MBP's device, carried over. One page, kept with the will and copied to the solicitor: for each policy — office and policy number; lives, structure and basis; current sum assured; the s.72 endorsement reference; where the trust form or will clause lives; the premium account and payer; the elections history (indexation years, GIO exercises); and the review log, dated. The register is written for a reader who has never seen the file: the executor, on the worst week of the family's year, who needs to know within days that the policy exists, that it is designated, and whom to ring. Chapter 19 begins from exactly this page — and the children funding the premiums under Chapter 9's rota should know where it is kept, because they are its likeliest first readers.

> **Technical basis** — Revenue CAT Manual, Part 09 (verified 15-08-2026): cessation events and the s.72-only premium-change accommodations; excess-proceeds rule. Drift inputs: CSO RPPI (verified 14-08-2026). Register device: MBP-2026-01 Ch 21, transposed. Figures maintained in the shared reference workbook (MRW-2026), where each carries its value, effective date, status and primary source. See Source register.

19. The claim

Everything in this guide was built for a fortnight the family will experience only once, so this chapter walks it from the kitchen table: what happens, in what order, against which clocks. The tax mechanics are MTG Chapter 16's; this is the family's side of them.

Day one: the register. The executor's first task is knowing the policy exists — which is why Chapter 18 put the register with the will. Notify the office promptly; nothing else on this page can start before that call.

The two tracks, running together. Track one is **probate**: the grant of representation that lets the estate be administered — and, in most cases, sets the valuation date that starts the pay-and-file clock. The practitioner literature is blunt that avoidable application errors are the common cause of delayed grants, and a delayed grant compresses everything downstream, so the solicitor's probate work is part of the tax plan, not adjacent to it. Track two is **the policy claim**: the office's requirements (death certificate; the grant, or the trust-form alternative), with one structural advantage worth having designed in at Chapter 17 — proceeds routed through a **Section 72 trust** are typically payable to the trustees without waiting for the grant, putting the tax money in hand while probate is still in the queue. Proceeds routed through the estate wait for the grant like everything else.

The return: where the wrapper actually works. Inheritance tax is self-assessed on the IT38 by valuation-date deadlines — the 31 October clock of Chapter 2 — and the Section 72 exemption is claimed *in the computation*: the beneficiaries' liabilities are computed as normal; the proceeds are applied against the relevant tax per the designation; the exempt proceeds stay outside aggregation; and **any excess is returned as its own inheritance, taken the day after the death**, by whoever the excess passes to. Where the proceeds fall short of the total relevant tax, the exemption is applied proportionately across what it covers and the balance is funded like any other liability — the annual review of Chapter 18 existed to make this paragraph rare. Two clocks bracket the work: the pay-and-file deadline on one side, and the wrapper's own rule on the other — **the funded inheritance must be taken within one year of the death** — so neither the claim nor the distribution can drift.

The ARF line, at claim. Where the estate carries an Approved Retirement Fund, the s.784A charge arises on the fund's passing under its own machinery (MTG Chapter 12), and the proceeds designated to it are applied in the same overall computation — the reason Chapter 8 put the ARF on the schedule and Chapter 9 put it in the designation.

And then it is done. The tax is paid on time from money that existed for the purpose; the house is not sold into a deadline; the €2.20-per-euro arithmetic of WE1 completes; and the file the buyer opened in Chapter 17 closes in the executor's hands, which is where it was always addressed.

> **Technical basis** — Revenue CAT Manual, Part 09 (verified 15-08-2026): application of the exemption; apportionment at claim; excess taken the day after death; one-year limit. Pay-and-file and IT38 mechanics: MTG-2026-01 Chs 11, 16 (carried verified 04-08-2026). Probate practice context: *Wills, Probate and Estates*, 8th edn (Law Society Manuals) — the Probate Office's emphasis, recorded in the current edition's own notes, on the common errors that delay grant applications (practitioner workstream, authorised 15-08-2026). Figures maintained in the shared reference workbook (MRW-2026), where each carries its value, effective date, status and primary source. See Source register.

20. Keeping this guide current

This guide states the law, the market and the numbers as at its text date, and all three move. The thresholds and rates move on Budget day; the receipts and property medians move on their statistical calendars; the offices' products, bases and windows move on commercial ones; and Revenue's manuals are living documents. Three disciplines keep the guide honest between editions. **The workbook is the single source of truth:** every figure in these pages is maintained in the shared mylife Reference Workbook (MRW-2026) in coded rows, each with its value, effective date, status and primary source, mapped chapter by chapter in the maintenance register kept with the master — a reader or reviewer checks a figure by checking its code, and a reissue begins by re-verifying the workbook, not by rereading the prose. **The register records the evidence:** every source this guide relies on is logged, dated and tiered in the source register at the back, so any proposition can be traced to its authority and any authority rechecked. **And the reissue sweeps the perimeter:** each new edition re-verifies the workbook against the Finance Act and the year's Revenue publications, re-pulls the office material behind the Chapter 25 matrix, and re-runs the receipts and property series — with corrections disclosed, because a guide that trades on primary sources owes its readers its errata. The publication date and text-as-at date on the title page are the reader's currency check; where a decision turns on a figure, the point of advice confirms it against the day's law.

> **Technical basis** — Suite maintenance conventions per the mylife Reference Workbook (MRW-2026) and this guide's source register. See Source register.

PART E — REFERENCE APPARATUS

21. Legislation table

Provision	What it does	Treated
CATCA 2003 s.72	Relief for policies expressly effected to pay inheritance tax and ARF tax	Parts A, B, D throughout
CATCA 2003 s.73	Relief for savings policies expressly effected to pay gift tax on lifetime dispositions	Part C throughout
CATCA 2003 s.86	Dwelling house exemption, incl. the FA2018 anti-avoidance and FA2019 period tests	Ch 4
CATCA 2003 ss.2, 10	Definitions; a benefit is taken on becoming beneficially entitled in possession — the timing architecture	Chs 4, 19
CATCA 2003 ss.69–71	Small gift exemption; spouse and civil-partner exemptions	Chs 4, 9
CATCA 2003 s.89; ss.92–102	Agricultural relief; business relief — 90% reductions, conditions and clawbacks	Chs 4, 8, 12
CATCA 2003 Sch 2	Group thresholds, aggregation and computation	Chs 2, 8
CATCA 2003 valuation-date and pay-and-file provisions	The clock: valuation date; return and payment by 31 October	Chs 2, 19 (pinpoints: MTG Ch 11)
TCA 1997 s.784A	The ARF charge on death — within s.72 "relevant tax"	Chs 2, 8; MIP WE2
TCA 1997 s.790D	ARF imputed distributions	Ch 12 context
TCA 1997 Part 26 Ch 5	Life assurance exit tax — the s.73 growth layer	Chs 13, 16
FA 1985 s.60 → FA 1989 s.84 → FA 1990 s.130 → FA 1991 ss.118–119	The reliefs' lineage: original inheritance relief; joint lives and survivors; life tenants; the gift-tax relief	Ch 15 context
FA 2000 s.151; FA 2016 s.52; FA 2018 s.52; FA 2019 s.64	The dwelling house exemption's expansion, restriction and repairs	Ch 4
Finance (No. 3) Act 2011	Civil partners within the spousal machinery from 1 January 2011	Chs 4, 9
Civil Partnership and Certain Rights and Obligations of Cohabitants Act 2010, Pt 15	Cohabitants' redress scheme; court-ordered transfers exempt	Ch 4
Nursing Homes Support Scheme Act 2009	Fair Deal — the care-funding boundary	Ch 4 (one paragraph; MTG Ch 26)
Finance Act 2025	The current year's enacted measures; this edition's text-as-at anchor	Throughout, via the workbook

22. Revenue and materials index

Material	What it is	Used
Revenue CAT Manual, Part 09 (Exemptions), *Sections 72–73* (created Sept 2025)	The operative Revenue statement of both reliefs; read in full 15-08-2026	Parts A–D throughout
Revenue CAT Manual, Part 09, *Section 86* (created Sept 2025)	The dwelling house exemption manual; read in full 15-08-2026	Ch 4
Statement of Practice SP-CAT/1/04	Approval criteria for qualifying policies	Chs 6, 17
Revenue Pensions Manual, Chs 23, 28	ARF death treatment; imputed distributions	Chs 2, 8, 12
Revenue net receipts, CAT series 2007–2025 (by component and group)	The receipts evidence; verified 15-08-2026	Ch 2, Ch 12
Revenue Headline Results 2025	Corroboration of the 2025 take	Ch 2
CSO: Residential Property Price Index (May 2026); *Ireland's Tax Statistics 2024*; Irish Life Tables No. 17	Property medians and growth; 2024 receipts corroboration; the population mortality base	Chs 2, 5
Leanne Deane v Revenue Commissioners [2018] IEHC 519	Beneficial-entitlement timing on estate property	Ch 4
Form IT38	The self-assessed CAT return in which the s.72 exemption is claimed	Ch 19
Office product material of the writing offices (harvested 15-08-2026)	Product mechanics and capability; per-office detail in Ch 25 only	Chs 5–6, 10, 25
MTG-2026-01, *The Taxation of Protection in Ireland*	The suite's tax companion; Chs 11–12, 16 and cases CS7–CS11, CS19 are this guide's tax engine	Cited throughout
MBP-2026-01, *Business Protection in Ireland*	The suite's pattern-setter; consumer study (Ch 5), counterfactual and register devices	Chs 6, 18; MIP WE5
MRW-2026, the mylife Reference Workbook	The single source of truth for every figure, across all three guides	Every panel
MWP-2026-04, *Longevity Insurance* (v3.1.0, July 2026), with its sources workbook	The series' longevity basis and anchors	Ch 5
Wills, Probate and Estates, 8th edn; *Taxation for Solicitors*, 1st edn (Law Society of Ireland Manuals, OUP)	The practitioner canon for the field Chapter 3 condenses; identified 15-08-2026 (print only)	Chs 3, 19

23. Glossary

Aggregation — the adding-together of all benefits taken within a group threshold since 5 December 1991, so each new benefit is taxed on top of the history. **Appointed date** — the date, more than eight years after a s.73 policy is effected, from which its proceeds can earn the relief. **ARF / the ARF charge** — an Approved Retirement Fund; the income tax arising under s.784A when it passes on death — within s.72's "relevant tax." **CAT** — capital acquisitions tax: gift tax and inheritance tax under one statute, one rate, one set of thresholds. **Clawback** — the withdrawal of a relief when its conditions fail within the statutory window, taxing the benefit as if the relief had never applied. **Designation** — the direction, by will, trust or policy terms, of s.72 proceeds to the relevant tax of identified beneficiaries. **Disponer** — the person providing the gift or inheritance. **Dwelling house exemption** — s.86's conditional exemption for a home; less literal than it reads (Ch 4). **Endorsement** — the express effecting of a policy under s.72 or s.73 at inception; it cannot be added later. **Excess proceeds** — s.72 proceeds beyond the relevant tax, taxed as an inheritance taken the day after the death. **Exit tax / gross roll-up** — the life-assurance savings regime: growth untaxed as it accrues, taxed at the exit rate on chargeable events. **Grant of representation** — the High Court's authority (probate, or administration) to deal with the estate; usually the valuation date. **Group thresholds** — the lifetime tax-free amounts by relationship: A (children), B (near relations), C (everyone else). **Guaranteed / reviewable** — the two premium bases: fixed at outset, or repriceable at the office's reviews. **Guaranteed insurability option (GIO)** — a contractual right to increase cover on defined events without fresh medical evidence, within caps and age limits. **Indexation** — automatic annual escalation of cover (and premium) against drift. **IT38** — the self-assessed CAT return. **Joint-life second-death (JLSD)** — one contract on two lives, paying on the second death; spouses and civil partners only. **Net premium** — premiums less benefits taken, the measure the 50% consistency rule polices. **Paid-up** — ceasing premiums for a reduced benefit; on s.72, after eight years, a status-preserving election. **Pay and file** — return and payment by 31 October for valuation dates in the twelve months to 31 August. **Qualifying policy / relevant insurance policy** — the statute's names for a policy meeting the s.72 / s.73 conditions. **Relevant tax** — the tax the proceeds may pay: for s.72, inheritance tax and ARF tax on the insured's dispositions; for s.73, gift tax on the insured's lifetime disposition. **Relief residue** — the taxable remainder a 90% relief leaves behind: the unrelieved assets, the conditionality, the equalisation problem. **Small gift exemption** — €3,000 per disponer per beneficiary per year, outside aggregation. **Successor** — the person taking an inheritance. **Valuation date** — the date fixing the pay-and-file clock; commonly the grant. **Whole of life** — cover with no end date: the insurer expects to pay, and prices accordingly. **Wrapper** — this guide's word for the statutory designation around the underlying contract.

24. Misconceptions corrected

"A Section 72 policy avoids inheritance tax." Nothing is avoided and no computation changes by a euro. The liability is *funded*: converted from a six-figure demand on the worst day into a level premium on ordinary days (Chs 5, 7).

"I'll lose money if I live too long." On the suite's benchmark, a couple of 60 fund roughly €2.20 of tax per euro of premium to joint life expectancy, and cumulative premiums overtake the benefit only beyond age 126. The "losing" scenarios are the long-life outcomes families mind least (Ch 5; MIP WE1; MTG CS7).

"I can switch my Section 72 policy to a cheaper provider." The designation exists only in the contract that carries it and cannot be reinstated once lost. Switching is surrender plus a fresh start at an older age — usually a decade of ageing crystallised into the "saving" (Chs 10, 18).

"Sections 72 and 73 are basically the same thing." One is insurance against the tax at a death nobody chooses; the other is savings toward the tax of a gift on a date only the family chooses. The statutory bridge between them is narrow, conditional, and no basis for buying one to use as the other (Ch 15).

"The cover should equal the estate." The cover equals the *tax*. Proceeds beyond it are a taxable inheritance taken the day after death — the statute's own penalty for insuring the fear instead of the computation (Chs 7, 8).

"My pension passes tax-free." The ARF charge under s.784A is frequently the largest single line in the modern estate's computation — and the estate that looks "inside the thresholds" can owe €240,000 of income tax on the fund alone (Chs 2, 8; MIP WE2).

"We're married, so there's no problem." There is no problem *at the first death*. The liability crystallises at the second, which is why the joint-life second-death contract exists (Chs 4, 5).

"Section 72 premiums can never change." The statute expressly accommodates insurer reviews, and legacy reviewable Section 72 books remain in force; the current new-business market writes guaranteed terms only. The basis is a fact on the policy schedule — verify it, especially on an older contract (Chs 5, 10).

"The family home passes tax-free if you lived together for three years." The conditions are less literal than the slogan: the three years run to the *date of the inheritance* (not always the death), the beneficiary's interest in any other dwelling — however small — is fatal, and a six-year occupation obligation follows. The rules of this field are rarely what they appear at face value (Ch 4; Ch 3).

"Section 73 savings are tax-free." Exit tax is paid on the growth in full; the relief touches only the gift-tax treatment of proceeds applied within the year. Anyone promised tax-free savings has been sold the confusion (Ch 13).

25. Provider capability matrix — appendix

Providers are named here and nowhere else in this guide. The matrix extends the suite's shared matrix (MTG Ch 32) with s.72/s.73 capability detail; it is re-verified at every reissue against current office material, and every entry is confirmed at the point of advice. Cells marked ◇ await broker-portal verification and are stated at point of advice.

A. Section 72 whole of life — the three writing offices

The new-business market consists of exactly three writers; comparison across all three on every case is essential — the published rate dispersion at the one directly comparable data point exceeds 35% (the November 2022 Irish Life illustration scaled to a common €500,000 sum assured: ≈€693 against Zurich's €501.83, a 38% gap on like-for-like cover).

Capability	Irish Life	Royal London	Zurich Life
Product	Life Long Insurance (Inheritance Plan); separate conversion product (existing customers 65–98, up to €30,000 of a legacy reviewable plan onto guaranteed terms, no medical questions)	Whole of Life Cover, optional Life Changes Option (+10% premium)	Guaranteed Whole of Life Protection
Premium basis	Guaranteed, non-reviewable	Guaranteed, non-reviewable	Guaranteed, non-reviewable
Entry ages	18–74	18–74	**45–74 for s.72** — the s.72 designation carries its own entry floor, distinct from the office's general whole-of-life range
Single life / JLSD	Both; joint first-death and dual-life do not qualify	Both; ditto	Both; ditto
Joint s.72 eligibility	Married / civil partners only	Married / civil partners only	Married / civil partners only
Indexation	Opt-in; benefit +3% / premium +5% p.a.; ceases at 75 (oldest life)	Opt-in; benefit +3% / premium +4.5% p.a.; ceases at 75	**Opt-out (included unless declined)**; benefit +3% / premium +4.5% p.a.; ceases at 75 (older life)
Terminal-illness benefit	**Excluded by design** — the accidental-forfeit risk removed	Included; **voids s.72 if claimed**	Included; **voids s.72 if claimed**
Paid-up / cash mechanics	—	Life Changes Option after 15 years: Protected Cover (paid-up, **preserves s.72**) or Protected Cashback (≈70% of premiums, **voids s.72**; s.73 route if gifted within a year); election irrevocable	—
Separation option (joint → single, no medicals)	—	Yes — unique in the published documentation	—
s.72 trust form in the pack	Yes	Yes	Yes
Application channel	**Paper only for s.72**	Online or paper	Email, fax or paper
Premium frequency	Standard	Standard; premiums cease at age 100; minimum sum €10,000	Monthly, quarterly, half-yearly or annual — the widest set
Wellbeing service	LifeCare (NursCare 24/7; ClaimsCare counselling)	Helping Hand (RedArc nurse support, from day one)	None documented
Claims paid (2025)	98.7% of life claims paid; €404.3m paid across 7,907 claims; average life payout €88,942	99% across protection products; €58m paid	€132.2m paid across 1,551 claims; per-product paid rates not disclosed
Published price point	€554.77/mo per €400,000, age 50 NS level (Nov 2022 illustration)	No comparable published data point	€501.83/mo per €500,000, age 50 NS level — the most competitive published figure
Underwriting transparency	Comparable approach; less publicly documented	Full medical and financial underwriting-limits grids published	Non-medical limits grid published

Not writing new s.72 business — the rest of the market, structured accurately: Aviva — whole-of-life legacy books only (the Hibernian Aviva and Friends First books now sit within it); its current protection range is term-led. **New Ireland** — no whole-of-life offering; Bank of Ireland Life operates as an arm of New Ireland, not a separate office. **Irish Life's legacy acquisitions** — the Canada Life Ireland whole-of-life book now sits within the Irish Life fold, legacy only and distinct from Irish Life's live Inheritance Plan. **Standard Life International** — not a protection writer. **Allianz Life** — recently launched in the Irish market; not a protection writer. The suite's shared matrix is corrected accordingly.

Financial underwriting (published positions): no formal financial underwriting below €1.5m; questionnaires from ≈€2m (Royal London's

Inheritance Tax Financial Questionnaire; Zurich's Personal Financial Questionnaire); independently countersigned evidence above €3m, with three years' accounts and broker report at €4m+ (Zurich). Medical evidence escalates with age and sum per the offices' published grids; loadings of 25–200% routine; fully underwritten timeline 6–10 weeks, to 16 on complex files.

B. Section 73 savings

Capability	Aviva	Irish Life	New Ireland	Royal London	Zurich Life
Writes s.73-endorsed savings plan	Yes — Savings Plan endorsed under s.73 (guide of March 2026); **s.73-only** — proceeds do not relieve inheritance tax	**Yes** — incl. a dual-qualifying s.72/s.73 design (life cover ≥8× premium for the s.72 limb; unit-linked savings element for the s.73 limb; election at outset)	Not identified	s.73 relief arises only as fallback treatment of certain whole-of-life payments	Confirm endorsement case by case

Boundary note: Standard Life International dac (cross-border, outside the five domestic offices) writes s.73-qualifying savings plans, positioned in its adviser material for, among others, lives who cannot obtain s.72 cover.

Source register

This guide is drafted from primary sources under the series' verification rule: every proposition verified against its primary source and dated; carried-verified suite material re-checked where newly load-bearing; excluded classes (journalism, other intermediaries, blogs) used, at most, as navigation and never as authority. The full working register — with per-source status, harvest dates, author rulings and the gated items awaiting broker-portal material — is maintained alongside this guide's master; what follows is the reader's consolidated view.

Tier 1 — Legislation: CATCA 2003 (ss.72–73, s.86, the thresholds, exemptions and reliefs per Chapter 21); TCA 1997 (s.784A, s.790D, Part 26 Ch 5). **Tier 2 — Revenue:** CAT Manual Part 09, *Sections 72–73* and *Section 86* (both created September 2025; read in full 15 August 2026); SP-CAT/1/04; Pensions Manual Chs 23, 28; the net-receipts CAT series 2007–2025 and Headline Results 2025 (verified 15 August 2026). **Tier 3 — Central Bank:** the revised Consumer Protection Code (in force 24 March 2026; carried verified via the suite). **Tier 4 — Office material:** the current product pages, brochures, customer guides and key features of the writing offices, harvested 15 August 2026; per-office capability in Chapter 25 only. **Tier 5 — Official statistics:** CSO RPPI (May 2026), *Ireland's Tax Statistics 2024*, Irish Life Tables No. 17. **Tier 6 — mylife series:** MTG-2026-01; MBP-2026-01; MRW-2026; MWP-2026-04 v3.1.0 with its sources workbook (read in full 14 August 2026). **Authorised practitioner materials (15 August 2026):** *Wills, Probate and Estates*, 8th edn, and *Taxation for Solicitors*, 1st edn (Law Society of Ireland Manuals, OUP); the Law Society/STEP Diploma in Trust and Estate Planning (context); *Deane v Revenue Commissioners* [2018] IEHC 519. **Case law and Oireachtas materials** as cited in Chapters 21–22.

Every figure in this guide is maintained in the shared mylife Reference Workbook (MRW-2026), where each row carries its value, effective date, status and primary source; the chapter-by-chapter map of figures to workbook rows is maintenance apparatus, kept in the working source register alongside this guide's master.