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Taxation of Chargeable Gains Act 1992

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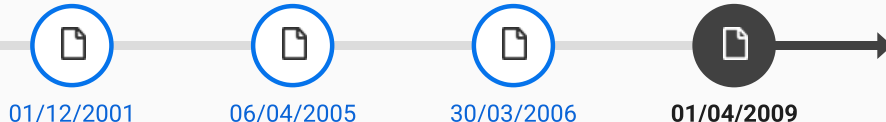
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Changes over time for: Section 143 ?



Changes to legislation:

Taxation of Chargeable Gains Act 1992, Section 143 is up to date with all changes known to be in force on or before 10 September 2026. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. ?

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143 Commodity and financial futures and qualifying options.

- (1) If, apart from [F1 section 981 of CTA 2009] [F2 and section 779 of ITTOIA 2005], gains arising to any person in the course of dealing in commodity or financial futures or in qualifying options would constitute, for the purposes of the Tax Acts, profits or gains [F3 chargeable to tax—

- (a) under [F4 Chapter 8 of Part 10 of CTA 2009], or
- (b) under Chapter 8 of Part 5 of ITTOIA 2005,

then] his outstanding obligations under any futures contract entered into in the course of that dealing and any qualifying option granted or acquired in the course of

that dealing shall be regarded as assets to the disposal of which this Act applies.

(2) In subsection (1) above—

- (a) “commodity or financial futures” means commodity futures or financial futures which are for the time being dealt in on a recognised futures exchange; and
- (b) “qualifying option” means a traded option or financial option as defined in section 144(8).

(3) Notwithstanding the provisions of subsection (2)(a) above, where, otherwise than in the course of dealing on a recognised futures exchange—

- (a) an authorised person **F5**... enters into a commodity or financial futures contract with another person, or
- (b) the outstanding obligations under a commodity or financial futures contract to which an authorised person **F5**... is a party are brought to an end by a further contract between the parties to the futures contract,

then, except in so far as any gain or loss arising to any person from that transaction arises in the course of a trade, that gain or loss shall be regarded for the purposes of subsection (1) above as arising to him in the course of dealing in commodity or financial futures.

F6(4)

(5) For the purposes of this Act, where, in the course of dealing in commodity or financial futures, a person who has entered into a futures contract closes out that contract by entering into another futures contract with obligations which are reciprocal to those of the first-mentioned contract, that transaction shall constitute the disposal of an asset (namely, his outstanding obligations under the first-mentioned contract) and, accordingly—

- (a) any money or money’s worth received by him on that transaction shall constitute consideration for the disposal; and
- (b) any money or money’s worth paid or given by him on that transaction shall be treated as incidental costs to him of making the disposal.

[F7](6) In any case where, in the course of dealing in commodity or financial futures, a person has entered into a futures contract and—

- (a) he has not closed out the contract (as mentioned in subsection (5) above), and
- (b) he becomes entitled to receive or liable to make a payment, whether under the contract or otherwise, in full or partial settlement of any obligations under the contract,

then, for the purposes of this Act, he shall be treated as having disposed of an asset (namely, that entitlement or liability) and the payment received or made by him shall be treated as consideration for the disposal or, as the case may be, as incidental costs to him of making the disposal.

(7) Section 46 shall not apply to obligations under—

- (a) a commodity or financial futures contract which is entered into by a person in the course of dealing in such futures on a recognised futures exchange; or
- (b) a commodity or financial futures contract to which an authorised person **F8**... is a party.

[F9](8) In this section “authorised person” means a person who—

- (a)

falls within section 31(1)(a), (b) or (c) of the Financial Services and Markets Act 2000, and

- (b) has permission under that Act to carry on one or more of the activities specified in Article 14 and, in so far as it applies to that Article, Article 64 of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001.]]

Textual Amendments

- F1** Words in s. 143(1) substituted (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), s. 1329(1), **Sch. 1 para. 369(a)** (with [Sch. 2 Pts. 1, 2](#))
- F2** Words in s. 143(1) inserted (with effect in accordance with art. 1(3)(4) of the amending S.I.) by [The Income Tax \(Trading and Other Income\) Act 2005 \(Consequential Amendments\) Order 2006 \(S.I. 2006/959\)](#), arts. 1(2), **3(2)(a)**
- F3** Words in s. 143(1) substituted (with effect in accordance with art. 1(3)(4) of the amending S.I.) by [The Income Tax \(Trading and Other Income\) Act 2005 \(Consequential Amendments\) Order 2006 \(S.I. 2006/959\)](#), arts. 1(2), **3(2)(b)**
- F4** Words in s. 143(1)(a) substituted (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), s. 1329(1), **Sch. 1 para. 369(b)** (with [Sch. 2 Pts. 1, 2](#))
- F5** Words in s. 143(3)(a)(b) omitted (1.12.2001) by virtue of [The Financial Services and Markets Act 2000 \(Consequential Amendments\) \(Taxes\) Order 2001 \(S.I. 2001/3629\)](#), arts. 1(2)(a), **64(2)**
- F6** S. 143(4) repealed (with effect in accordance with s. 95(2) of the amending Act) by [Finance Act 1994 \(c. 9\)](#), s. 95(1), **Sch. 26 Pt. V(9)**
- F7** S. 143(6)(7)(8) substituted for s. 143(6) (with effect in accordance with s. 95(2) of the amending Act) by [Finance Act 1994 \(c. 9\)](#), **s. 95(1)**
- F8** Words in s. 143(7)(b) omitted (1.12.2001) by virtue of [The Financial Services and Markets Act 2000 \(Consequential Amendments\) \(Taxes\) Order 2001 \(S.I. 2001/3629\)](#), arts. 1(2)(a), **64(2)**
- F9** S. 143(8) substituted (1.12.2001) by [The Financial Services and Markets Act 2000 \(Consequential Amendments\) \(Taxes\) Order 2001 \(S.I. 2001/3629\)](#), arts. 1(2)(a), **64(3)**

Modifications etc. (not altering text)

- C1** S. 143(5)(6) applied (with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), **ss. 562(1), 883(1)** (with s. 563, [Sch. 2](#))

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