
STATUTORY INSTRUMENTS

2006 No. 3269

The Finance Act 2002, Schedule 26,
(Parts 2 and 9) (Amendment) Order 2006

Amendment of Part 9 of Schedule 26

Amendment of paragraph 45HA of Schedule 26

19.—(1) Amend paragraph 45HA (1) as follows.

(2) For sub-paragraph (1) and the heading preceding paragraph 45HA substitute—

“Treatment of credits and debits on terminal exercise of non-embedded option or running to delivery of future

45HA.—(1) This paragraph applies where—

- (a) a company is party to a derivative contract in an accounting period,
- (b) the derivative contract is a plain vanilla contract which is an option,
- (c) rights comprised in the plain vanilla contract are exercised to any extent in that accounting period, and
- (d) those rights are rights to acquire shares.

(1A) This paragraph also applies where—

- (a) a company is party to a derivative contract in an accounting period,
- (b) the derivative contract is a plain vanilla contract which is a future,
- (c) delivery is taken of an asset in accordance with the terms of the future, and
- (d) that asset is shares.”.

(3) In sub-paragraph (2)—

- (a) for “In any such case” substitute “Where this paragraph applies”, and
- (b) for “so acquired” substitute “acquired or delivered”.

(4) In sub-paragraph (4), in the definition of “G”, for “sub-paragraph (1)(b)” substitute “sub-paragraph (1)(c) or the delivery mentioned in sub-paragraph (1A)(c)”.