

*These notes refer to the Corporation Tax Act 2009  
(c.4) which received Royal Assent on 26 March 2009*

# **CORPORATION TAX ACT 2009**

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## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS**

#### **Part 10: Derivative contracts**

##### **Disapplication of [section 658](#)**

3543. This paragraph disapplies section 658 (chargeable gain or allowable loss treated as accruing when certain debtor relationships come to an end) to a derivative contract (and makes a consequential provision) if the liability representing the debtor relationship that hosts the derivative contract was owed before a date that is usually in 2005. It is based on paragraphs 45K(2) and 45KA(1) of Schedule 26 to FA 2002.
3544. The consequential provision is that, if section 658 would apply to a derivative contract but for this paragraph, this paragraph disapplies section 574 (non-trading credits and debits to be brought into account under Part 5) in respect of the relevant credits and debits arising on the derivative contract. Any gain or loss arising on the contract for differences is dealt with under the provisions of TCGA, as those provisions apply to the liability representing the debtor relationship. “Relevant credits” and “relevant debits” are defined in section 659.