
STATUTORY INSTRUMENTS

2009 No. 3001

The Offshore Funds (Tax) Regulations 2009

PART 3

**REPORTING FUNDS AND THE TREATMENT
OF PARTICIPANTS IN REPORTING FUNDS**

CHAPTER 6

**TRANSACTIONS BY CERTAIN REPORTING
FUNDS WHICH ARE NOT TREATED AS TRADING**

Investment transactions carried out by diversely owned funds

Options and futures: further provisions

85.—(1) For the purposes of regulations 83 and 84 references to an option or a future do not include references to a contract whose terms provide—

- (a) that, after setting off their obligations to each other under the contract, a cash payment is to be made by one party to the other in respect of the excess, if any, and do not provide for the delivery of any property, or
- (b) that each party is liable to make to the other party a cash payment in respect of all that party's obligations to the other under the contract and do not provide for the delivery of any property, or
- (c) for the delivery of any property other than property a transaction in which would fall within any of regulations 80 to 89 where the property is delivered.

(2) Nothing in paragraph (1) has effect to exclude, from references to an option or future, an option or future whose underlying subject matter is currency.

(3) In paragraph (1) “underlying subject matter” means—

- (a) in relation to an option, the property which would fall to be delivered if the option were exercised, and
- (b) in relation to a future, the property which, if the future were to run to delivery, would fall to be delivered at the date and price agreed when the contract is made.