



Taxation of Chargeable Gains Act 1992

1992 CHAPTER 12

PART IV

SHARES, SECURITIES, OPTIONS ETC.

CHAPTER III

MISCELLANEOUS PROVISIONS RELATING TO COMMODITIES, FUTURES, OPTIONS AND OTHER SECURITIES

145 Call options: indexation allowance.

- (1) This section applies [^{F1}(subject to subsection (1A) below)] where, on a disposal to which section 53 applies, the relevant allowable expenditure includes both—
- the cost of acquiring an option binding the grantor to sell (“the option consideration”); and
 - the cost of acquiring what was sold as a result of the exercise of the option (“the sale consideration”),

but does not apply in any case where section 114 applies.

[^{F2}(1A) In a case where the whole of the expenditure comprised in the option consideration was incurred on or after 1st April 1998, this section applies for the purposes of corporation tax only.]

- (2) For the purpose of computing the indexation allowance (if any) on the disposal referred to in subsection (1) above—
- the option consideration and the sale consideration shall be regarded as separate items of expenditure; and
 - subsection (4) of section 54 shall apply to neither of those items and, accordingly, they shall be regarded as incurred when the option was acquired and when the sale took place, respectively.

Status: Point in time view as at 12/01/2000. This version of this provision has been superseded.

Changes to legislation: Taxation of Chargeable Gains Act 1992, Section 145 is up to date with all changes known to be in force on or before 13 July 2024. 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. (See end of Document for details)

- (3) This section has effect notwithstanding section 144, but expressions used in this section have the same meaning as in that section and subsection (5) of that section applies for the purpose of determining the cost of acquiring an option binding the grantor to sell.

Textual Amendments

- F1** Words in s. 145(1) inserted (with effect in accordance with s. 122(6)(7) of the amending Act) by [Finance Act 1998 \(c. 36\), s. 122\(5\)](#)
- F2** S. 145(1A) inserted (with effect in accordance with s. 122(6)(7) of the amending Act) by [Finance Act 1998 \(c. 36\), s. 122\(5\)](#)

Status:

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