
STATUTORY INSTRUMENTS

1998 No. 3177

The European Single Currency (Taxes) Regulations 1998

PART X

AMENDMENTS TO THE LOCAL CURRENCY ELECTIONS REGULATIONS

Determination of rate of exchange where part trade election replaced by whole trade election or combined part trade election

46. In regulation 8—

- (a) in paragraph (1) at the beginning there shall be inserted “Subject to paragraph (5) below,”;
- (b) after paragraph (4) there shall be added—

“(5) Where, as a result of the adoption of the euro by one or more participating member States—

- (a) elections by a company for parts of its trade under regulation 4 are treated under regulation 44 of the European Single Currency (Taxes) Regulations 1998 as a single election by the company for the euro under regulation 3 in respect of the whole of its trade for an accounting period beginning on or after 1st January 1999 or, if later, on or after the date of adoption of the euro by the member State concerned,
- (b) elections by a company for parts of its trade under regulation 4 are treated under regulation 44 of those Regulations as a single election by the company for the euro under regulation 4 in respect of part of its trade for an accounting period beginning on or after 1st January 1999 or, if later, on or after the date of adoption of the euro by the member State concerned,

the company shall, unless it makes a new statement under paragraph (1) above for that accounting period not later than the date specified in paragraph (6) below, be treated in relation to that accounting period and thereafter as using for the purposes of that paragraph the London closing exchange rate.

(6) The date specified is the date which is 92 days after the date of adoption of the euro by the member State concerned.

(7) In paragraphs (5) and (6) above references to the euro are references to the single currency adopted by a member State other than the United Kingdom in accordance with the Treaty establishing the European Community.”