
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Loan Relationships and Derivative Contracts (Exchange Gains and Losses Using Fair Value Accounting) Regulations 2005 which set out the calculations for exchange gain and loss in loan relationships and derivative contracts where the assets and liabilities involved are accounted for using fair value accounting.

These regulations update statutory references and terms and substitutes a new interpretation regulation.

A Tax Information and Impact Note for the modernisation of the taxation of corporate debt and derivative contracts which covers this instrument was published at Summer Budget 2015 on 8th July 2015 and is available on the HMRC website at: www.gov.uk/government/collections/tax-information-and-impact-notes-tiins. It remains an accurate summary of the impacts that apply to this instrument.