

# A TAX FREE FUTURE.

**iBet**  
FINANCIALS

## iBet - A Zero Tax Spread Betting Service

### Frequently Asked Questions

- Q** I have heard that spread betting winnings are not tax free if they make up the majority of your income?  
Tax Counsel was very clear on this point. Even if your only income is from spread bet winnings, this is not taxable.
- Q** Do you guarantee that I will not have a tax bill from spread betting winnings?  
No, we cannot make such a guarantee. On the basis of advice we have received, we believe that spread bet winnings are not liable to UK income tax. However, we advise you to obtain independent tax advice.
- Q** Can I see the written advice you have received from Queens Counsel?  
We are happy to make this available to you and/or your accountants. However we do not want to distribute this document widely and so we would ask for you to come to our office where you can see the document.
- Q** Can I see the letter you have received from HMRC?  
We are happy to make this available to you and/or your accountants. However we do not want to distribute this document widely and so we would ask for you to come to our office where you can see the letter.
- Q** Why is there a lower charge for STIR spread bet contracts?  
Currently there is no additional regulatory reporting fee for STIR spread bet contracts, as opposed to other types of contracts. Also we expect to receive a volume rebate from the exchange which we will keep rather than pass on.
- Q** If HMRC successfully challenges my tax return, what is the down side?  
We have been advised that no fines or penalties can be charged. Interest can be charged from the date the tax became due. However HMRC has 12 months to challenge from the date you file your tax return. This is the advice we have received but we suggest that you obtain independent tax advice before using iBET.

### About The Kyte Group

The Kyte Group Limited "KGL", an independent Futures Commission Merchant (FCM), provides clearing and settlement services to professional "expert" traders who transact business on the world's leading exchanges. KGL offers clearing services, risk management, financing and direct market access to proprietary traders, brokers, automated/algorithmic trading systems, market makers and hedge funds. KGL provides comprehensive market access to exchange-listed, traditional and alternative investment instruments including financial futures and options, cash stocks, cash bonds, warrants, foreign exchange and commodity derivatives. KGL is a leading agency clearer on LIFFE, Eurex, CME and ICE. KGL and its subsidiaries, Kyte Broking Limited and Kyte Capital Advisors LLP, are separately authorised and regulated by the Financial Services Authority. KGL is a majority owned subsidiary of GFI Group Inc.

### Contact Us

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Disclaimer: In the UK, profits generated from spread betting are free from capital gains tax and there is no stamp duty. However tax laws can change and all individuals and higher rate tax payers should seek independent advice regarding their tax affairs. Individuals aren't able to offset any losses against capital gains for capital gains tax purposes.

Risk Warning: Spread betting is a leveraged product and carries a high level of risk to your capital. It is possible to lose more than your initial investment rapidly. The material contained within this communication is directed exclusively at professional traders; moreover any investment services to which the material may related will only be made available to professional traders. UK Tax laws may be subject to change, may depend on personal circumstances and can differ if you pay tax in any jurisdiction outside of the UK. It is therefore advisable to seek independent tax advice. iBet is a trading name of The Kyte Group Limited which is authorised and regulated by The Financial Services Authority under FSA Register No. 114120, registered in England and Wales under Companies House Register No. 01810354 with registered address: Business Design Centre, 52 Upper Street, London N1 0QH, VAT registration number GB849020040.