



CIRCULAR 111-24
September 30, 2024

ISSUANCE OF 1256 RULING

Bourse de Montréal Inc. (the “Bourse”) is pleased to announce that it has received a ruling from the Internal Revenue Service (the “IRS”) designating it as a “qualified board or exchange” under Section 1256 of the Internal Revenue Code (the “Code”). Under that ruling, futures contracts traded on the Bourse on or after November 1, 2024 will be treated as Section 1256 contracts under the Code.

Treatment of a futures contract as a Section 1256 contract generally requires a U.S. taxpayer to mark-to-market such contracts at the end of its taxable year, while treating gains or losses as 60% long-term capital gain or loss and 40% short-term capital gain or loss, without regard to the holding period of the contract.

Note: the foregoing is provided for general information purposes only and does not constitute legal or tax advice. Please consult your own advisors regarding the specific tax consequences of any particular transaction.

For additional information, please contact your relationship manager at the Bourse.

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