This chapter discusses the intention to create legal relations in the formation of a contract in domestic or social and commercial transactions. In a domestic or social context, there is a presumption that the parties do not intend to create legal relations. In a commercial context, however, the reverse applies and it is presumed that the parties do intend to create legal relations. No matter which presumption initially applies, that presumption may be rebutted by evidence to the contrary. The chapter concludes that it will not always be easy to decide whether an arrangement is more ‘social’ than ‘commercial’ due to the lack of unanimity in cases such as *Esso Petroleum Ltd v Commissioners of Customs and Excise*. Courts continue to be split on whether or not an intention to create legal relations is present in particular disputes.
8. Intention to create legal relations

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