



Leach's Tax Dictionary

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October 2018

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B

B

National insurance

For national insurance, the contribution letter for an employee who is eligible to pay **reduced rate** contributions. This is a married woman or widow who made such an election no later than 1977.

Council tax

For council tax, the second lowest band of property values:

- in England, between £40,001 and £52,000 in 1993
- in Wales, between £36,001 and £52,000 from 1 April 2005, and between £30,001 and £39,000 before;
- in Scotland, between £27,001 and £35,000 in 1993.

A band B property pays council tax at the rate of 7/9 the amount for an average band D property.

Company cars

Before 6 April 2011, the P11D code for a company car that ran on gas only, or ran on bi-fuel and had approved carbon dioxide emissions. From 6 April 2011, such cars are taxed on the same basis as petrol engine cars, and have the code A.

Vehicle excise duty

Rate band for vehicles with emissions between 101 and 110 gm/km.

Full Payment Supplement form

Indicator in the "Number of hours worked" box that the employee works for 16 to 23.99 hours.

Lateness in submitting an FPS or EPS under Real Time Information

Reason for lateness was that it was notional payment from an employment-related security.

Final character in national insurance

When national insurance was recorded on cards, this final character indicated that the card ran for a year from the first Monday in June. It is now a control character.

Other

- (1) The second person in an explanation, such as "A bought goods from B to give to C."
- (2) Under planning law, use class order for commercial property.
- (3) In general use, second grade.
- (4) Range of paper sizes between the common A sizes. It is now hardly used.
- (5) Old Roman numeral for 300.
- (6) In **hexadecimal notation**, the number 11.
- (7) In relation to residence nil rate band for inheritance tax, a beneficiary of inherited property (Inheritance Tax Act 1984 s8J as inserted by Finance (No 2) Act 2015 s9).
- (8) In relation to accommodation provided to an employee, the amount of any excess rent paid by the employee, as used in Income Tax (Earnings and Pensions) Act 2003 s103A(8) as inserted by Finance Act 2017 Sch 2.

B\$ (1) Abbreviation: Bahamanian dollar.
(2) Abbreviation: Brunei dollar.

\$b Abbreviation: Bolivian dollar.

B2B Business to business.

B2C Business to consumer.

B2G Business to government.

BA **Bankers Acceptance**
[The letters also denote the Bachelor of Arts university degree, and the company British Airways.]

BAA **British Accounting Association.**
[These are also the letters for the public company British Airports Authority.]

BAAT British Association of Art Therapists.

baby bonds (1) US bonds issued in small denominations to make it easier for ordinary investors to buy.
(2) In UK, a bond offered by a **friendly society** in which up to £25 a month may be invested for a child for a minimum period of ten years.

baby boom Period of a higher than usual birth rate, such as just after a war, particularly in the years after 1945.

baby credit Additional amount of **child tax credit** that is paid for the first year of a child's life. This was introduced in April 2002.

BACAT Abbreviation of Barge Aboard Catamaran. This is a specially designed vessel designed to allow goods to be offloaded from ships on to barges for final

delivery by river and canal.

baccalaureate

First university degree of a **bachelor**.

baccarat

This game is specifically listed in Betting and Gaming Duties Act 1981 s13(3) as coming within the scope of **gaming licence duty**.

bachelor

Marital status

Man who has never married. His marital status is therefore **single**. The word originally meant a person aspiring to a knighthood.

The female equivalent is **spinster**. This word has acquired connotations of a frumpy old maid, so sometimes the term **bachelor girl** is used instead.

Qualification

First university degree, or a person who has one.

It ranks below a masters degree or doctorate.

bachelor tax

In international taxation, the higher rates of tax paid by single people compared with married people who may qualify for benefits and reliefs.

back

(1) Support financially, such as providing initial capital or underwriting an activity.

(2) Referring to the past, such as in backdating a pay claim.

back and filling

Description of a financial market where prices rise and fall by a small amount.

back bond

Bond of indemnity given to a surety.

back contract

Futures contract on an exchange with the latest expiry date.

backdate

Give an earlier date to.

This can amount to the crime of **forgery**.

back door

In economics, means by which the Bank of England provides cash to the money market by purchasing Treasury bills at the market rate as an alternative to lending money.

back duty

Any arrears of tax (including taxes which are not normally referred to as duties).

backed for bail

Description of a warrant for arrest which requires the police to release a person if a specified condition is met. This is usually payment of surety.

back-ended

Form of tax relief which is given at a later point, such as when an asset is realised.

“Back-ended relief simply means that, while there was no tax relief on payments into **PEP** schemes, payments out — whether of dividends or of capital gains — were tax free.” (*The View from No 11, page 379, by Nigel Lawson, Bantam Press*).

back-end loaded	Description of any financial product where charges are made at the end of its life, such as when commission is paid when the investor withdraws his cash.
back-end ratio	In investment, a person's ratio of total debt to income.
back freight	Charge made for the return of goods which could not be offloaded at the intended destination.
background checking	Human resources for checking job applicants from sources other than those provided by the applicant.
background plant	Name sometimes used for features integral to a building . This term is used in Capital Allowances Act 2001 s70R. From 1 April 2006, any capital allowance for background plant in leased premises is generally claimed by the lessee rather than the lessor.
back-hander	Bribe, from the practice of making payment by putting the hand behind the back so others cannot see. The word is not always hyphenated.
back-in	Defence strategy against a takeover bid , similar to the poison pill . In a back-in, the shareholders may sell their shares back to the company.
back interest	Interest which has been earned but not yet paid.
back load	Consignment of goods offered to a lorry driver (or a person in charge of any other delivery vehicle) to be transported in what would otherwise be an empty vehicle after a delivery.
back letter	Another name for a letter of indemnity . Such a letter is most common in international transport. It releases the recipient from a duty. A back letter is often required before a duplicate letter of credit is issued.
back-hander	Bribe, from the practice of making payment by putting the hand behind the back so others cannot see.
back-in	Defence strategy against a takeover bid , similar to the poison pill . In a back-in, the shareholders may sell their shares back to the company.
backing	Support, particularly financial support for a commercial venture.
backing a warrant	Process which allows a warrant issued by a magistrates' court to be enforced.
back interest	Interest which has been earned but not yet paid.
back load	Consignment of goods offered to a lorry driver (or a person in charge of any other delivery vehicle) to be transported in what would otherwise be an empty vehicle after a delivery.

backlog	Arrears of work to be done, such as maintenance which is overdue or letters which should have been answered. The term does not apply to work waiting to be done but which is not overdue.
backlog depreciation	Term used in current cost accounting (now abolished) for the amount of additional depreciation which should be accounted for in the current period's accounts to reflect the impact of inflation in the current period on the depreciation charged in <i>previous</i> accounting periods.
back month	Latest expiry month for a futures contract.
back office	Another term for back room .
back office crunch	Situation where the back office is overwhelmed with paperwork and cannot function.
back out	Withdraw from an agreement, such as when a person is no longer prepared to underwrite an activity or invest in a business.
backpacker travel insurance	Travel insurance for a single consecutive period of (typically) between 60 and 365 consecutive days. It is also known as gap year travel insurance .
back pay	<p>Payment to an employee in respect of a retrospective pay rise, such as when a pay deal is agreed on 1 April backdated to 1 January.</p> <p>The employee receives the higher rate of pay from 1 April and, in that month, also receives the additional rate of pay for the previous three months.</p> <p>Backpay causes many practical problems. It involves identifying employees who were not employed for the whole period and recalculating past payslips. It can also involve recalculation of statutory maternity pay if the backpay period includes the reference period. If the employer runs a pension scheme, contributions may need to be recalculated.</p> <p>There is also a practical problem in that employees will (using the example above) believe that their April payslip represents their new earnings and wonder why the May payslip is less.</p>
back payment	Payment which is due but which has not yet been made.
back rent	Rent which is owed but has not yet been paid.
back room	Term for people who work in an organisation but are not seen by customers.
back service	For pensions, that portion of a pension obligation which arises for past service, and which has increased as a result of a change, such as the employer accepting a greater obligation or a transfer to a new pension scheme.
backspang	Old term for any trick or legal quirk which allowed a person to gain an advantage over someone who regards a matter as having been settled.

back spread	Strategy of selling an option near to the money and using the proceeds to buy the same type of option. [This is sometimes given as a single word.]
backstairs influence	Private or unrecognised influence in management. The term originated from certain monarchs who sought unofficial assurance by consulting servants who traditionally used the backstairs of the palace.
backstop agreement	Agreement that is made with a view to being used only if the parties fail to make a better agreement.
back stop-loss	In investment, an exit price set by a trader with a view to fixing the maximum amount that may be lost. In practice, this has the effect of encouraging investors to place more funds into a position than they would otherwise.
back tax	Tax which is owed but has not yet been paid. Back tax usually arises following an investigation by the tax authorities.
back testing	Testing a financial model using historic data. This allows what it predicted to happen on a past date to be compared with what did happen. [This term can sometimes be given as a single word.]
back the field	Gambling term for betting on all runners except the favourite.
back-to-back credits	Letters of credit used in international trading when a trader buys goods from one country for immediate sale to another, or for string contracts . Under a back-to-back credit, one letter of credit is raised on the security of another.
back-to-back inheritance tax plan	Combination of a life assurance policy and an annuity on the same life. The aim is to reduce the liability to inheritance tax. The annuitant seeks to earn more capital than is needed to replace the capital spent on the annuity in buying assurance premiums. The proceeds of the policy are paid directly to the beneficiaries, thus in effect moving value out of the estate.
back-to-back loan	Loan between companies in different countries in the currency of that country. Such loans were widely used as a means of avoiding exchange controls .
back-to-back swap	Two swaps which have been combined, usually as a means of winding up the position and usually subject to a payment.
back to work action plan	Plan worked out between an employer and an employee who has been off sick for at least four weeks. Such a plan is not compulsory but is recommended by the government in its booklet E14 on statutory sick pay.
back to work bonus	A bonus introduced in 1996 (and extensively revised in 2004) for social security claimants who start paid employment. It is payable under Social

Security Contributions and Benefits Act 1992 s36.

The amount can be up to £1,000. Such a bonus is exempt from income tax under Income Tax (Earnings And Pensions) Act 2003 s677.

back up

Support or copy.

In computing, the term is used for any arrangement whereby data are copied to minimise disruption should the original data be lost.

Some computer systems have automated back-up or use **cloud computing**.

back-up credit

Alternative source of funds which is made available should the initial source not prove sufficient. The term is commonly used when an issue of **commercial paper** is not fully taken up by the market.

back-up power supply

Electrical device which may be connected to a computer to protect it from damage in the event of a power cut. Such a device typically provides another 15 minutes of mains power, designed to allow the computer to be shut down properly and for files to be saved.

backup withholding

US term for a sum deducted from investment income towards the tax due on that income.

backward integration

Process of business growth where a business which provides the latter stage of production acquires businesses which provide the earlier stages. An example is when a machine maker acquires a component maker.

backwardation

(1) Penalty paid by a seller for being late with delivery, particularly of shares or other securities.

(2) Situation where the spot price of a commodity or currency is higher than the futures price

backwardation swap

Commodity swap in which the payments are determined according to the spot price and future price.

backward-compatible

In computing, when a new appliance is made so that old equipment can still be used.

The term can be applied to equipment or software. For equipment, most DVD drives are backward-compatible to read compact discs. Early record players were backward-compatible to play 78s. In software, a new **release** of a program is made backward-compatible so that it can open files created by an earlier release.

backwards spreading

Spreading income over *previous* years.

bacon-slicing

Term used in advocacy which breaks down an argument or complaint into constituent parts and looks at each one individually.

It is particularly effective when the argument is founded on the cumulative effect of many small matters, each of which can be separately dismissed as of no consequence.

More constructively, bacon-slicing can be used to identify the real cause

of concern and strip away peripheral issues.

BACP	British Association for Counselling and Psychotherapy.
BACS	Bankers' Automated Clearing System , system for making direct payments from a bank account.
BAD	British Association of Dermatologists.
bad	General term meaning wrong in law, ineffectual, inoperative or void, depending on the context.
bad bargain	Item which is not worth the price asked. A bad bargain does not void a contract.
bad buy	Product or service which clearly does not represent value for money.
bad character	Evidence or a disposition by an accused person in relation to criminal charges (Criminal Justice Act 2003 s98).
bad cheque	Cheque which is not paid for any reason.
bad credit car loans	Ways of borrowing money to fund the purchase of a new car for those with a poor credit history.
bad credit cards	Credit cards for those with poor credit records.
bad credit loan	Loan designed for someone with a poor credit history or county court judgements and is therefore refused unsecured personal loans by other providers.
bad credit mortgage	Home loan secured against the value of a property designed for people with poor credit histories.
bad debt	<p>Definition</p> <p>Debt that has been written off.</p> <p>To be a bad debt, it must relate to a specific debt where there is good reason to believe that payment will not be received. The debt is then written off as an expense in the profit and loss account, with a corresponding entry in the sales ledger.</p> <p>Writing off a bad debt is purely a financial transaction. Legally, the debt remains payable</p> <p>Tax relief</p> <p>A bad debt is a business expense that may be deducted from it+ (Income Tax (Trading And Other Income) Act 2005s35) or corporation tax (Corporation Tax Act 2009 s55).</p> <p>Guidance on bad debts is discussed in the Inspectors' Manual at BIM 42701.</p>

Debt later paid

A bad debt that is subsequently paid is a **recovered debt**. This is added to taxable sales in the period in which it is recovered.

A bad debt that is part of a composition with the debtor is a **released debt**.

No adjustment is made to the sales figure or gross profit, as the sale was made and the profit earned despite the debt not being paid.

Value added tax

Provided these conditions are met, the bad debt is deductible from taxable profits, and VAT **bad debt relief** may be claimed under Value Added Tax Act 1994 36.

A business that uses **cash accounting** in effect gets bad debt relief at source.

Doubtful debts

If there is reason to *suspect* that a debt may not be paid, the company may make a provision for a **doubtful debt**. Such a debt need not be specific, so a business may make a provision for 1% of all debts, for example, provided it has some evidence to support such a view.

bad debt provision

Sum set aside in the accounts to allow for debts which a business expects not to be paid.

Strictly this term is wrong, as such a debt is a *doubtful* debt. A debt only becomes debt when it *is* written off. A business may not claim tax relief for a provision for bad debts, but may claim relief for a bad debt that has been written off.

bad debt reduction

For finance leases, this term is defined in Income Tax Act 2007 s614BL(6).

bad debt relief

Relief from VAT on bad debts. A claim may be made if supplies to a customer have been made and no payment has been received.

bad debts recovered

Sums received for bad debts. Writing off a debt as a bad debt does not extinguish the debtor's duty to pay.

As the debt has already been written off, the whole of bad debts recovered is credited to sales.

badge

For VAT, this is not an item of clothing and therefore does not come within the scope of VAT when supplied for children. This applies even when the badge is designed to be sewn on to the clothes. The lead case concerned badges, sashes and woggles for Brownies and Guides (*BG Supplies (Birmingham) Ltd [1993] VTD 11663*). If a garment is supplied with a badge already sewn on, that would come within the scope of clothing.

badger

(1) Tease or annoy. This comes from the practice of kennelling a badger and setting on dogs to draw it from the kennel, before allowing the animal to retire and then repeating the process.

(2) Hawker or huckster who sells basic foodstuffs. This meaning is believed *not*

to be based on (1) above.

badges of fraud

In international taxation, indications of dishonest activity (as against carelessness) that justifies a higher level of penalty.

badges of trade

Six principles established in 1954 by a Royal Commission to determine whether an activity constitutes a **trade**.

bad leaver

Where an employment ends in dismissal. The term is used in relation to anti-avoidance provisions for **disguised remuneration**.

badminton player

An athlete may retire on a personal pension below the age of 50, provided:

- the person had the right by 5 April 2006,
- the right was unqualified in that it needed no other person to consent,
- the right was set out in the governing documentation of the pension scheme by 10 December 2003.

(SI 2005 No 3451, as explained in RPSM 03106035).

bag

(1) Container, typically made of cloth, paper or other soft material, for holding money or goods.
(2) Secure for oneself.

Bagehot, Walter

English economist and political scientist (1826-77). His treatise on the British constitution is still widely regarded as authoritative.

bagel

For VAT, a toasted bagel was held to be a zero-rated supply of food rather than standard-rated supply of hot takeaway food.
The toasting was to “create a crunchy interior to the bagel and to promote freshness” and not primarily to allow them to be consumed at above ambient air temperature. *Great American Bagel Factory Ltd [2000] VTD17018*.

baggage

Luggage and other items carried by a person while travelling.
Customs requirements for baggage are set out in Customs notice 6.

bag marks

Slight abrasions on coins from being moved in bags.

baguette

For VAT, a toasted baguette was held to be a zero-rated supply of food and not a standard-rated supply of hot takeaway food.
The tribunal accepted that the toasting was to release the flavour. The baguettes were usually eaten cold or just warm. *Tuscan Food Ltd [2003]*

Bahamanian dollar

Currency of Bahamas. Divided into 100 cents.

Bahamas

Atlantic state. Currency is **Bahamanian dollar**. UK has no tax treaty.

Bahrain

Kingdom in Persian Gulf. Currency is **Bahraini dinar**. UK has a double taxation agreement signed in 2010.

Bahraini dinar

Currency of Bahrain. Divided into 1000 fils.

Bahrain tax	Oil tax imposed by the Kingdom of Bahrain. It is subject to provisions in the UK/Bahrain Double Taxation Agreement.
baht	Currency of Thailand.
bail	<p>Process of releasing an accused person into the security of others who must ensure that he appears when required and forfeit a sum if he does not.</p> <p>In Scots law, "(1) in admiralty proceedings the security given to obtain the release of a ship"</p> <p>(2) in criminal proceedings, an arrangement for the release of an accused person pending trial or sentence subject to conditions" (Judiciary of Scotland website glossary).</p>
bail bond	Bond given to a prisoner and surety when he is bailed.
bailee	<p>Person to whom an owner entrusts possession of goods without transferring ownership.</p> <p>There are different types of bailment which attract different legal rights and duties.</p>
bailee clause	Clause in a contract of marine insurance. It requires the exporter to take all reasonable precautions that the ship owner, who is the bailee, fulfils his obligations regarding the safe carriage of goods.
Bailey Review	Government report by Reg Bailey published on 6 June 2011 into the commercialisation and sexualisation of childhood. It made 14 recommendations, some of which have been put into effect.
bail hostel	Accommodation for people of no fixed address who have been released on bail .
bailiff	Officer of the court who is entrusted with certain functions, such as serving writs and seizing goods. The bailiff is answerable to the sheriff. There are also private bailiffs .
bailii	British and Irish Legal Information Institute. This operates a website at www.bailii.org that gives case reports of all decisions from the High Court from 2002, and of the House of Lords and Court of Appeal from 2001.
bailiwick	Area under the jurisdiction of a bailiff or sheriff.
baillie	Scottish magistrate.
bailment	Transferring possession of goods without transferring legal title. This can arise by various legal processes including simply lending someone something.
bailor	Person who bails goods to a bailee .

bail out	Any form of financial rescue, such as taking over a business or paying off someone's debts.
bail-out stock	Preferred stock (securities) issued as a stock dividend.
baisa	One thousandth of a rial Omani, currency of Oman.
bait	Fish, maggots, meat, cheese and anything else sold for the sole purpose to catch fish. Bait is standard-rated even when used to catch fish for human consumption. This is because bait is regarded as being to <i>catch</i> the fish rather than to <i>feed</i> the fish. If the bait is of food normally sold for human consumption, it is zero-rated as food, regardless of the intention of the buyer.
bait and switch	Unethical practice of advertising low-priced items that are not for sale as a means of attracting customers to higher-priced items.
baked potato	For VAT, a baked potato with a cold filling is a single supply of standard-rated hot takeaway food. It is not possible to zero-rate the filling separately from the potato. <i>M Rourke (t/a The Market Pantry) [1999] VTD 16671.</i>
Baker type trust	Type of interest in possession trust available in some jurisdictions, but not in the UK. In such a trust, the beneficiary is entitled to the appropriate share of trust income as it arises to the trustees. Beneficiaries to such trusts are liable to income tax on such arising.
Baker v T E Hopkins	Court case of 1959 which helped establish that liability could be owed to a third party rescuer. The case concerned a doctor who died while trying to save two men in a well.
bakery products	Term used to cover bread, biscuits, cakes and similar products. They are generally zero-rated as food, with a few exceptions for such items as florentines and chocolate biscuits. The exact scope is set out in VAT leaflet 701/14.
baksheesh	Payment traditionally made in certain Near Eastern countries to facilitate everyday business. It is a hybrid between a tip and a bribe, as those who claim them believe they have a right to do so. The word is Persian for "gratuity".
balance	(1) Amount of money after transactions have been allowed for. (2) To match two amounts to ensure a measure of equality, such as matching net assets to capital on a balance sheet, or matching income to expenditure in a budget. (3) The term is given a specific meaning in Dormant Bank and Building Society Accounts Act 2008 s8.
balance between benefit and cost	"The benefits derived from information should exceed the cost of providing it" (FRS 102 section 2.13).

balance certificate	Share certificate provided to a shareholder who has sold some of his or her holding. The certificate shows the lower number now held.
balance concentration	In banking, the practice of consolidating the bank accounts of members of a group of companies as a means of reducing bank charges.
balanced budget	Budget where income and expenditure are equal. The term is particularly used for government and local authorities. Under Keynesian economics, it is acceptable to have a deficit budget at times of low economic activity.
balanced funding principle	Principle followed in allocating research funds. Details are given in Higher Education and Research Act 2017 s103(4).
balanced mutual fund	Low-risk unit trust whose aim is to balance growth and income.
balanced scorecard	Technique for measuring organisational success, usually with a view to improving performance. The method is to identify those factors which contribute to success and rate their relative importance. Each factor has criteria set for scoring. Thus it is possible to rate a performance, though much subjectivity still remains.
balance off	Add up both sides of an account and subtract one from the other to find the balance . Such as determining how much a customer owes by adding up invoices and subtracting payments and credit notes.
balance of payments (BOP)	Difference between exports and imports between two countries, or between one country and the rest of the world. As an export from one country is an import to another, these balances for all countries should add up to zero, allowing for any timing differences. They never do. Reported figures for exports always exceed imports.
balance of payments deficit	Situation where a country imports more than it exports.
balance of payments surplus	Situation where a country exports more than it imports.
balance of power	Any arrangement where two opposing forces are matched with sufficient equality to create a stalemate. The term has been used politically since the 18th century and became particularly important in relation to nuclear weapons in the late 20th century. The term can also be used in other contexts, such as between commercial competitors.
balance of probabilities	Basis of proof in civil proceedings — you must prove that your case is more likely to be true than not.
balance of revenue	Additional revenue secured as a contribution to capital costs. The term seems to have been exclusively used by the old Electricity Council.

balance of trade	Difference between a country's imports against its exports over a defined period. This is also known as the trade gap .
balance order	Order enforcing payment of calls in a winding up or liquidation.
balance sheet	<p>Definition</p> <p>Summary of the assets and liabilities of an organisation at a particular date, indicating the organisation's worth. A balance sheet is accurate to a moment in time, often the end of the last day of the accounting period.</p> <p>Format</p> <p>A balance sheet has two sides which must equal the same total. Historically these two sides were placed next to each other in the horizontal format. It is now more common to place one above the other in the vertical format.</p> <p>The assets side lists assets from which liabilities are subtracted. Assets are distinguished between fixed assets and current assets. The fixed assets are shown at net book value (NBV) which generally their acquisition cost minus depreciation. Current assets are shown are valuation on the balance sheet date. If the company has any investments, intangible assets or goodwill in its accounts, these are also shown as assets.</p> <p>Order of assets and liabilities</p> <p>Current assets are listed in order of liquidity, such as cash, prepayments, debts and stock.</p> <p>Liabilities are distinguished between current liabilities and long-term liabilities. A current liability is one payable within the next year. It includes almost all sums owed by the business plus accruals. Long-term liabilities are sums repayable in more than one year's time, such as loans.</p> <p>Capital</p> <p>The capital side of the business includes the issued share capital plus any other form of capital. To this is added the retained profit from previous accounting periods and the retained profit from the accounting period just ended.</p> <p>Signature</p> <p>Traditionally the balance sheet is signed by the directors or treasurer to indicate that these are the final accounts and not a draft.</p>
balance sheet aggregation	<p>"Aggregation of balance sheet totals from more than one company in the same group, in considering whether a company is a qualifying company [and needs a senior accounting officer]" (Inspector's Manual at SAOG 24000).</p> <p>Details of such aggregation are given in the Inspector's Manual at SAOG 11260.</p>
balance sheet audit	Limited audit, now rarely performed, that checks only those items which appear on the balance sheet.

balance sheet date	<p>Date to which the balance sheet refers, usually the last day of the accounting period. Note that this does <i>not</i> refer to the date the balance sheet is signed.</p> <p>Significant developments that occur between the balance sheet date and signing the accounts may need to be noted in the accounts (FRS 21).</p>
balance sheet format	<p>Method of laying out a balance sheet.</p> <p>The horizontal format is the original format and shows the assets and liabilities on the left, balancing with the capital employed on the right.</p> <p>The vertical format has the assets and liabilities above the capital employed.</p>
balance sheet hedge	<p>Hedge against the risk from translation of amounts in foreign currency on the balance sheet.</p>
balance sheet recession	<p>In economics, the situation where high levels of public sector debt prompt individuals and businesses to pay down debt and retain profits rather than to spend or invest. Examples often cited include Japan in the 1990s and the USA between 2007 and 2009.</p>
balance sheet total	<p>Total of net assets as shown on the balance sheet. This represents one of the measures of the value of a business, though if the business was to be sold, a figure for goodwill would usually be added.</p>
balance sheet value	<p>In relation to allowance buying, "is the balance sheet value of the relevant plant and machinery". The section goes on to how determine this figure.</p> <p>The relevant law is Capital Allowances Act 2001 s212L.</p>
balancing adjustment	<p>This is basically an adjustment to the written down value of fixed assets. It occurs when there is a balancing event, such as the business closing. A balancing adjustment is either a balancing allowance or a balancing charge.</p> <p>For qualifying buildings, the law is Capital Allowances Act 2001 from s360M.</p>
balancing allowance	<p>Capital allowance which represents the excess of written down value over disposal proceeds.</p>
balancing charge	<p>Negative capital allowance which represents the excess of disposal proceeds over written down value.</p>
balancing event	<p>Event that triggers a balancing adjustment. For qualifying buildings, these are defined in Capital Allowances Act 2001 s360N.</p>
balancing item	<p>Item introduced into a balance sheet or account to make it balance.</p>
balancing payment	<p>Payment of the balance of tax owed by IR 35 taxpayers. It is due by 31 January following the end of the tax year to which the payment relates. HMRC issued a Notice on 10 January 2014 about these payments.</p>

balboa	Currency of Panama, comprising 100 centésimos. In practice Panama widely uses US currency.
Baldrige National Quality Award	Award given by the President of the USA to a business that is held to be outstanding in a defined area of management.
Baldwin, Stanley	English politician (1867-1947) who was Chancellor of the Exchequer from 27 October 1922 to 27 August 1923 under the Conservative government of Andrew Bonar Law. He was prime minister from 7 June 1935 to 28 May 1937.
Balfour, Arthur	English Conservative politician (1848-1930) who was prime minister from 11 July 1902 to 5 December 1905.
Balfour's poodle	Derogatory term for the House of Lords between 1906 and 1911. Balfour was the leader of the Conservatives. They used their majority in the Lords to frustrate the will of the Liberal government in the House of Commons. This led to a constitutional crisis in the People's Budget which was resolved by reducing the power of the Lords in Parliament Act 1911.
Balfour v Balfour	Court case of 1919 which established that domestic agreements between husband and wife are generally unenforceable as contracts.
ballet	For theatrical productions tax relief, "any ballet is therefore a theatrical production, whether or not it is also a dramatic production" (Corporation Tax Act 2009 s1217FA(1)).
balloon	In banking, a large single sum as against regular payments. The term is often used for loan repayments.
balloon loan	Loan which is not repaid in regular instalments but as large amounts (balloons) when funds become available.
balloon mortgage	Mortgage where the last payment is significantly larger than the others. Such mortgages are often for short periods such as five or seven years.
balloon payment	Any financial arrangement where the last payment is significantly larger than the others.
ballot	Process of conducting an election by voting. Parliamentary and local elections are conducted by secret ballot. Trade union strikes and elections must be conducted by ballot. Companies may use a ballot when a share issue is oversubscribed.
ball park (figure)	A general assessment as to size or amount, from the practice of estimating how many people will attend a ball game.
ballpoint	Writing implement where a special gelatinous ink is applied to a small ball at the end. The first patent for such a pen was issued in 1888, but the modern form

was invented by László Biró (1899-1985) in 1938. His invention included a design of oil-based ink which did not leak, a pressurised ink tube so that the ink did not rely on gravity, and a ball socket which allowed free movement.

Balls, Ed	Labour politician (1967-) who was Shadow Chancellor from 20 January 2011 to 8 May 2015.
BALO	Bulletin des Annonces Légales Obligatoires , publication of the French government which includes financial statements of public companies.
BALRM	Basic arm's length return method.
Balthazar	Champagne bottle with a capacity of 16 standard bottles.
Baltic Exchange	Place in London where, traditionally, shippers and ship brokers plied for cargo.
Baltic Futures Exchange	London-based institution that specialises in chartering ships and aircraft for freighting, and also deals in commodity futures, particularly in foodstuffs.
BAM	ISO code for Bosnia and Herzegovina convertible marka.
BAME	Black, African and minority ethnic.
bamant	Suggested name for a proposed method of varying terms in a manner which appears exciting but which in truth is fanciful.
Bamboo Curtain	Description of the secrecy with which Communist China conducted itself in the late 20th century. The term is from an analogy with Iron Curtain .
ban	Order which prevents something, such as a particular product from being sold or exported.
banc	Judge's bench. The term comes from French.
Banca d'Italia	Central bank of Italy.
Banca Rìoghail na h-Alba	Gaelic name for Royal Bank of Scotland .
bancassurance	Sale of banking and insurance products together.
bancassurer	Colloquialism for company or group offering a range of financial services to its customers, such as a bank with subsidiary insurance companies.
banco	Term once used to mean bank money of account, as distinguished from currency.
band	In finance, the commonest use of this word is a range of amounts for a defined criterion, such as the range of pay for a particular grade of job.

Band Aid	<p>Musical body formed by current popular acts coming together to record the song <i>Do They Know It's Christmas?</i> by Bob Geldof and Midge Ure. The proceeds of the record are given to famine relief charities.</p> <p>The first version was recorded in 1984. Subsequent versions were released in 1989, 2004 and 2014. All versions reached no 1 in the pop music chart.</p> <p>The Treasury agreed to make a donation to the charity equal to the VAT collected on sales.</p>
Band D Equivalent	<p>The weighted number of domestic properties subject to Council Tax in a local authority's area. It is expressed as a proportion to Band D which is the middle property band.</p>
band earnings	<p>Amount of salary or wages earned between the lower earnings limit and upper accruals point (or upper earnings limit before 6 April 2009). The amount of state second pension is calculated by reference to band earnings.</p>
bang for the buck	<p>Colloquialism for measurement of the (usually high) return on an investment.</p>
Bangladesh	<p>Eastern country. Currency is taka, comprising 100 paisa. UK has a double taxation convention signed in 1979.</p>
bani	<p>One hundredth of a new leu, currency of Romania.</p>
banishment	<p>Being forced to leave the realm.</p> <p>In Britain this was a punishment from 17th to 19th centuries. This included banishing people to Australia between 1788 and 1868.</p>
bank	<p>A business that holds money for its clients, lends money at interest and trades generally in money and financial products. The tax definition is contained in Income and Corporation Taxes Act 1988 s840A.</p> <p>The word originally meant a shelf or a bench where finance could be transacted.</p> <p>The tax treatment of banking profits is contained in Corporation Tax Act 2010 from s635 and Income Tax Act 2007 from s837A.</p> <p>From 1 January 2016, banks are liable to pay an additional 8 percentage points of corporation tax under Corporation Tax Act 2010 from s269D as added by Finance (No 2) Act 2015 Sch 3.</p> <p>For the purposes of derivatives, the term is defined in Corporation Tax Act 2009 s710.</p>
bankable	<p>Term which means either something where a cash value can be derived or a security which a bank will accept as security for a loan.</p>
bankable paper	<p>Document that a bank will accept as security for a loan.</p>
bank account	<p>Arrangement whereby a bank holds funds and performs transfers for a customer.</p> <p>There are many different types of account. The commonest is the current account where the customer has a cheque book, a paying-in book and</p>

(often) one or more type of card for making payments or withdrawing cash. The bank sends a statement, usually monthly, which details these transactions with any charges or interest imposed by the bank.

bank account debits tax	Australian tax imposed on banks in respect of bank accounts.
bank advance	Another name for a bank loan .
bank balance	Amount of money someone has in their bank account .
bank base rate	A basic rate of interest on which a bank calculates the actual rates charged to customers for different types of loans and overdrafts.
bank bill	Bill of exchange drawn by one bank telling another bank, often in another country, to pay money to someone.
bank book	Book provided by a bank or building society that shows the balance in a person's account. It is sometimes also called a passbook . Such books have generally been phased out during the last decades of 20 th century in favour of statements and on-line facilities.
bank borrowing	That part of a business's debt capital that is funded by a bank.
bank card	Any card issued by a bank for use by a customer. There are different types include the cash card , cheque card , credit card and debit card . Sometimes a card may perform more than one of these functions.
bank card association	Body owned by banks to handle credit cards and debit cards. In the UK, the main associations are MasterCard International and Visa International.
bank certificate	Document from a bank confirming the balances held by a customer on a certain date. Such a certificate is often requested during an audit. If the bank simply confirms the balances suggested by the auditor, the document is better described as a bank confirmation .
bank charges	Charges made by a bank to a customer for providing banking services. Bank charges are imposed in one of three ways: <ul style="list-style-type: none">• direct charging as so much per cheque cashed, direct debit etc;• free banking, whereby no charges are imposed provided the customer keeps within agreed terms. The bank makes its profit from the interest it can earn on those accounts, charges for additional services it may be able to provide, and penalty charges when the customer fails to keep the terms; and• charges for packaged bank accounts where a sum of perhaps £10 a month is charged regardless of the number or amount of transactions during the month. Free banking and packaged bank accounts specify which transactions attract no additional charge. Any additional service, such as foreign currency conversion, usually attracts a separate charge. If an employer pays an employee's bank charges, that is regarded as a

taxable benefit in kind, as explained in the inspectors' manual at EIM01010.

Bank Charter Act	Law introduced in 1844 after a series of banking crises. The Act gave greater power to the Bank of England. Many provisions remain in banking law today.
bank cheque	Cheque drawn by a bank on itself.
bank clerk	Employee of a bank below the level of manager.
bank confirmation	Document from a bank confirming that the balance held for a customer is the figure first suggested. If no figure was suggested and the bank simply advises the balances, the document is better described as a bank certificate .
bank credit	All overdrafts, loans and other borrowings from a bank that may be used by an individual or business.
bank deposit	All money placed in a bank by an individual or business.
bank discount	Charge made by a bank for accepting a bill of exchange or similar instrument before its maturity. The discount is usually a fixed percentage of the bill's face value.
bank draft	An order from one bank to another instructing it to pay someone. Such drafts are often used between banks of different countries. The term may also be used for a cheque drawn on the bank's own account payable to a customer's supplier as a means to allow strangers to transact business. Suppose A wishes to buy a car from B for £1,000 and is reluctant to carry that amount of cash and B is an individual who cannot accept payment by any card. A can ask his bank for a bank draft payable to B. The bank takes the funds from A's account, usually with a charge. The cheque is drawn on the account and is therefore fully creditworthy.
banker	(1) Person who operates a bank to hold money for other people. (2) In gambling, person who accepts bets on behalf of the casino or other establishment.
banker's acceptance (BA)	Financial instrument from a bank to facilitate commercial transactions.
Bankers' Automated Clearing Services (BACS)	Company set up to oversee the system of direct debits, standing orders, salary cheques and other computer-generated payments. It provides the service for all British banks and some building societies. It is part of APACS .
banker's bank	Bank created by other banks to help the clearing cycle .
bankers' books	Records kept by a bank of its customers. A copy of such a record is prima facie proof of the balance shown (Bankers' Books Evidence Act 1879).

banker's credit card	Credit card issued by a bank, as against a credit card issued by a store.
bankers' documentary credit	Type of letter of credit issued by a bank.
bankers' draft	Another name for a bank draft .
banker's guarantee	Alternative term for bank guarantee .
Banker's Industrial Development Company	An agency set up by the Bank of England during the Great Depression of 1929 to 1935 to assist industry. It was liquidated in 1945.
banker's lien	The right of a bank to hold some of a customer's property as security for a loan. This must be agreed in advance with the customer.
banker's order	An instruction given by a customer to his bank. In particular, it refers to instructions for a standing order or direct debit .
banker's profits	Amount on which gaming duty is payable under Betting and Gaming Duties Act 1981 s14, as amended by Finance Act 1997. This is a gross figure from which no deductions may be made for commissions (<i>Aspinalls Club Ltd. [2011] TC 1185</i>).
banker's ramp	Belief that the banks influence the result of political elections. Such suspicions were widespread in the elections of 1931.
bank examiner	Person who reviews a bank's operations on behalf of a regulatory body.
bank facility	An arrangement with a bank to borrow money as required up to an agreed limit.
Bank for International Settlements (BIS)	Bank established in 1930 to co-ordinate the payment of war reparations between European central banks. Its prime function now is to foster co-operation between the central banks of different countries. It is based in Basle, Switzerland.
bank giro	Method used by clearing banks which allows money to be transferred rapidly between them. It is possible to use this method to pay money into any bank account, provided the payer knows the (eight digit) account number and (three pairs of digits) sort code . It is possible to pay tax by this method. HMRC asks that payers use only their official payslips. It should be noted that HMRC now banks with National Westminster Bank and not with the Bank of England. HMRC regard bank giro payments as electronic payments.
bank giro credit (BGC)	A one-off cash or cheque payment to an organisation or individual. Processing a payment made using a Bank Giro Credit takes three working days.

bank guarantee	Undertaking by a bank to settle a debt if the debtor fails to do so. Such a guarantee is good collateral for a loan, but the bank will usually want good collateral to provide the guarantee.
bank holding company	A company which has a bank as one of its subsidiaries.
bank holiday	<p><i>United Kingdom</i></p> <p>Day on which a bank is allowed to close. The term now has the same meaning as a public holiday.</p> <p>There are eight public holidays in England and Wales, eight different public holidays in Scotland, and ten public holidays in Northern Ireland.</p> <p><i>How determined</i></p> <p>Public holidays are as determined by Bank and Financial Dealings Act 1971. These allow the Queen to declare additional days as bank holidays. Such days have included the wedding of Prince William in 2011, and the Queen's diamond jubilee in 2012.</p> <p><i>Employment implications</i></p> <p>Employees have no statutory right to have a day off work on such holidays unless their contract so allows. The statutory right to 28 days annual leave is based on four weeks of five days plus the eight bank holidays, but none of these days need be bank holidays.</p> <p>If an employee is required to work on a bank holiday, there is no legal requirement to pay at a higher rate, though this is a common practice.</p> <p><i>USA</i></p> <p>In the USA, the term means a day on which a bank is forced to close as its obligations exceed its resources.</p>
bank holding company (BHC)	Company that owns or otherwise controls one or more banks. Typically, a BHC is responsible for the banks' regulation and supervision, though the bank may have its own board for routine administration.
bank identification number (BIN)	A six-digit number which identifies a particular bank for charge card purposes.
bank identifier code (BIC)	Series of codes developed by the International Organization for Standardization to identify banks and their branches for the purpose of inter-bank dealings. The BIC code has eight digits for a primary office, and 11 for a branch. They are sometimes called SWIFT codes .
banking	(1) Business of holding money for customers and lending money. (2) Process of paying money into a bank account.
banking account	American term which means bank account .
banking and borrowing	Description of when an unused annual allowance may be used for another year (banking), or when an annual allowance may be exceeded by using future allowance (borrowing).

All rules relating to allowances must include provisions on the extent to which banking and borrowing is permitted.

Banking Acts

Banking Act 1979 and Banking Act 1987. These are the main laws which regulate banks in the UK.

banking book

Record of the banking activities of a bank, as against its commercial activities. This distinction is often made with regard to management risk.

banking company

For bank levy, the term is defined in Corporation Tax Act 2010 s269B as inserted by Finance Act 2015 Sch 2 para 1.

For corporation tax, the term is defined in Corporation Tax Act 2010 s269B.

For company law, the term "means a person who has permission under Part 4 of the Financial Services and Markets Act 2000 (c.8) to accept deposits other than —

(a) a person who is not a company, and

(b) a person who has such permission only for the purpose of carrying on another regulated activity in accordance with permission under that Part" (Companies Act 2006 s1164(2)).

The term is also given a specific definition in Corporation Tax Act 2009 s133E as inserted by Finance (No 2) Act 2015 s18.

banking covenant

Agreement made between a company's creditors and its bank on the levels of debt in which the company should operate. They are also called **debt covenant**.

banking directives

European Union directives which apply to banking. The Second Directive is particularly important.

banking employment

Term used to define the scope of those within the scope of **bank payroll tax**.

banking group

Term used for the bank levy. It is defined in Finance Act 2011 Sch 19 from para 12.

For company law, the term is defined in Companies Act 2006 s1164(4).

Banking Ombudsman

An official who investigates complaints against banks.

banking partnership

Body so registered under Financial Services and Markets Act 2000 Part 4. Such a body must produce accounts which comply with some of the provisions of company law (Companies Act 2006 s470).

banking products

Financial services offered by banks to their customers. Examples include credit cards, direct debits and statements.

These products are seen as part of the banking service. Ancillary products, such as loans and insurance, are better described as **financial products**.

banking school

Body of economic opinion following banking crises from 1825 to 1837 on the best method of controlling the issue of bank notes. The banking school

believed that the issue of notes should be flexible to meet circumstances while the **currency school** believed that notes should be restricted and fully backed by gold. Bank Charter Act 1844 decided in favour of the currency school.

banking secrecy country Country that does not disclose details of banking arrangements to other tax authorities. The use of such a country is one of the **hallmarks** of a tax planning scheme of which taxpayers are advised to be wary.

banking surcharge profits In relation to corporation tax surcharge on banks, this term is defined in Finance Act 2015 s79(5).

bank insurance fund In the USA, a fund held by the Federal Deposit Insurance Corporation as deposit insurance for banks other than thrifts.

bank interest Interest paid or charged by a bank in its dealings with customers.

bank interest rates The rates of interest which a bank charges for borrowing money from it or saving money with it.
Typically the bank interest rate is calculated by reference to the **base rate** set by the **Bank of England**.
The rate for a **loan** depends on the **credit rating** of the customer, the purpose of the loan, the period of the loan and the amount of the loan.
The rate for **savings** is usually also calculated by reference to the base rate. For a customer, it will also consider the nature of the savings, the **notice period** for withdrawing the savings and the amount of the savings.
Borrowers should look at the **annualised percentage rate (APR)** for comparison. Savers should look at the **annual equivalent rate (AER)** for comparison.
The difference between the rates for borrowers and savers is known as the **turn**. This generally widened during the 20th century and is now at least four **percentage points**. There are however opportunities for smaller turns, such as **Zopa** which offers a turn of just one percentage point.

Banking Consolidation Directive EC directive 2006/48/EC of 14 June 2006, relating to the taking up and pursuit of the business of credit institutions.

bank levy Tax on banks calculated according to figures on their balance sheet.
Details are given in Finance Act 2011 Sch 19.

bank levy liability This term is defined in Finance Act 2011 Sch 19 para 53(8).

bank line Commitment by a bank to provide loans up to a determined amount for a determined period.
A bank line is usually binding in honour rather than in law. It is often a requirement that the prospective borrower keeps funds in the account to a determined amount, often 10% of the bank line plus 10% of actual borrowings.

- bank loan** Money lent to a customer by a bank, usually for a fixed period.
Such a loan is said to be either **secured** or **unsecured**. A secured loan means that the bank may take ownership of some item of the customer's property if the loan is not repaid. A common example is a **mortgage**. An unsecured loan does not have this security. An example includes the balance on a credit card.
- bank manager** Person in charge of a branch of a bank.
This person was once a powerful individual who got to know customers and had a wide discretion. Since the 1980s, the bank manager has become a devalued job as such decisions are now usually made by central offices of the bank.
- bank note** Alternative spelling of **banknote**.
- banknote counter** A machine which counts banknotes, as widely used in banks.
The first such machine was invented in 1920. The modern **friction counter** was introduced in 1962. In 1981, the computerised friction counter could count 72,000 notes an hour. Machines could also sort notes by value and detect counterfeit notes by using special security features.
- banknotes** Legal tender issued by the Bank of England. These are now minted in values of £5, £10, £20 and £50. Bank
The term also applies to notes issued by other banks which are accepted as currency, particularly from Scotland and Northern Ireland, though such notes, strictly are not legal tender.
Bank notes were originally receipts for gold. They acquired the legal status of promissory notes, but are now legally currency with the same status as coins following the decisions in *Miller v Race [1791]* and *Suffell v Bank of England [1882]*.
Under Bank Charter Act 1844, only the Bank of England may issue legal tender bank notes. However banks already issuing notes at that date were allowed to continue doing so. The last such note was issued in 1921. Independent banks still issue **Scottish bank notes** and **Irish bank notes**.
English bank notes were subject to stamp duty until 1972.
- Bank of Canada** Central bank of Canada, formed in 1935 as a private company which became a publicly owned body in 1938.
- Bank of England** The **central bank** for the United Kingdom (and not just England).
It was originally formed on 1694 as a private company to raise funds for the government. Although given national responsibilities in the 19th century, it was not nationalised until 1946.
The Bank has had responsible for setting interest rates since 1870, though this was subject to significant government control until 1997 when the Bank was given sole charge for setting interest rates except in a **national emergency**. This task of setting rates is undertaken by the Bank's **Monetary Policy Committee (MPC)**.
The Bank is also responsible for issuing **banknotes** which are legal

tender in England and Wales, and generally accepted as such in Scotland and Northern Ireland. The Bank became the central banknote issuer in 1844.

Before 1998, the Bank of England was also responsible for regulating banks. This task is now administered by the **Financial Services Authority**.

The legal definition is "as the context requires, the Governor and Company of the Bank of England or the bank of the Governor and Company of the Bank of England" (Interpretation Act 1978 Sch 1).

Bank of England base rate	For child trust funds, "means the rate announced from time to time by the Monetary Policy Committee of the Bank of England as the official dealing rate, being the rate at which the Bank is willing to enter into transactions for providing short-term liquidity in the money markets" (Child Trust Funds Regulations SI 2004 No 1450 reg 2(1)(b)).
Bank of England dollar	Coin struck between 1804 and 1814, but all dated 1804, by Bank of England to relieve a shortage of small change. They were overstruck on Spanish eight reale coins.
Bank of England rate	"Means — (a) the rate announced by the Monetary Policy Committee of the Bank of England as the official bank rate, or (b) where an order under section 19 of the Bank of England Act 1998 (reserve powers) is in force, any equivalent rate determined by the Treasury under that section." (Inheritance and Trustees' Powers Act 2014 s1(4)).
Bank of International Settlements (BIS)	Bank established in Basle in 1930 to promote international banking. It also acts as a bank for national central banks.
Bank of Ireland	"As the context requires, the Governor and Company of the Bank of Ireland or the bank of the Governor and Company of the Bank of Ireland" (Interpretation Act 1978 Sch 1). Commercial bank operation which includes the original Bank of Ireland founded by Royal Charter in 1783.
bank of issue	Bank authorised to issue bank notes. Since 1921, only the Bank of England may issue banknotes for use in England and Wales.
Bank of Japan	Central bank of Japan, created in 1882.
Bank of North Dakota	The only bank in the USA to be owned by a state. It was formed in 1919.
Bank of Scotland (BoS)	Scottish bank formed on 17 July 1695. It is the oldest bank in the UK, and the only surviving company formed by the Scottish Parliament before Scotland's union with England in 1707. The Bank of Scotland helped raise funds for the Jacobite rising in 1715. As a consequence it lost its monopoly of Scottish banking and the Royal Bank of Scotland was formed. The Bank acquired many other banks including Union Bank of Scotland in 1955 and British Linen Bank in 1971. Bank of Scotland was the first UK bank to use a computer, which it

installed in 1959.

In 2001, the Bank merged with Halifax, a former building society which had become a bank, to form HBOS.

bank overdraft

Arrangement whereby a bank lends money by allowing a customer to make payments greater than the sum in the customer's account.

bank panic

Another name for **bank run**.

bank payroll tax

One-off tax introduced by Finance Act 2010 Sch 1 to tax large bonuses earned by bank workers.

bank rate

"The main interest rate at which the Bank of England lends money to financial institutions. This interest rate in turn affects the rates that commercial financial institutions offer their customers for loans and deposits. It is set each month by the Bank of England's Monetary Policy Committee (MPC). (N.B. Also referred to as the 'base rate'. The term 'Bank Rate' refers solely to the rate set by the Bank of England. In other countries, central banks use different terminology for their main interest rate)." (HM Treasury glossary).

Before 1972, this was the equivalent of the **base rate**, namely the rate of interest at which the Bank of England would discount first class bills or make advances to a discount house. It was used for 270 years from 1702. From 1932 to 1951 it remained at 2%, apart from a short period in 1939.

In 2009, it reached a record low of 0.5%.

bank rate monitor index

Weekly index of money market rates of US banks.

bank reconciliation

Document produced to check accounting records against the bank statement. Evidence of such reconciliations is usually an essential part of demonstrating that the accounts have been properly prepared and audited.

bank reference

Written report from a bank about the status of a customer.

bank release

Document which allows an importer to take possession of goods by a bank credit.

bank reserves

Cash, securities and other financial assets held by a bank to cover deposits.

If it is believed that a bank has insufficient assets to cover deposits, customers may panic and rush to withdraw funds. This is known as a **run on the bank**.

Bank Restriction Act

Act of Parliament of 1797 that restricts the Bank of England's ability to exchange sterling notes for gold.

bank return

Statement periodically issued by a bank to a regulatory authority about its financial position.

bankroll

(1) To provide finance for, usually on a continuing basis.

(2) In gambling, money set aside for that purpose as against money required

for everyday living.

- bank run** Rapid loss of deposits suffered by a bank, usually on a fear that the bank is about to become insolvent.
- bankrupt** Either a person who has been subjected to the legal provisions of **bankruptcy**, or an adjective describing such a person.
The term comes from the Italian for “broken bench” from the practice of breaking the bench to show that a moneylender was unable to continue in business.
- bankruptcy** When an individual has been legally declared insolvent. The individual must give up most assets and pay what can be done. The bankrupt is under restrictions until discharged.
A bankrupt failed to claim personal allowances against the income sequestered during his bankruptcy in *CIR v Fleming. CS [1928] 14 TC 78*.
In Scots law, “where a person is unable to pay his or her debts, a creditor may apply to the court for that person’s sequestration, that is to have that person declared bankrupt” (Judiciary of Scotland website glossary).
- bankruptcy hearing** Formal hearing before a judge to check that the requirements of bankruptcy have been followed.
- bankruptcy order** Another name for a **declaration of bankruptcy**.
This indicates that a person is unable to pay their debts and, subject to certain exceptions, deprives them of their property. The property can then be sold in order to pay the person's creditors.
- bankruptcy petition** Document which must be filed to make a person **bankrupt**. It is usually filed either by the bankrupt himself or by a creditor.
The creditor must be owed at least £3,000 from 1 October 2015. The previous limit, fixed in 1986, was £750.
- bankruptcy proceedings** The legal process of **bankruptcy**.
- Bankruptcy Reform Act** American law of 1978 which made major changes to US bankruptcy law. It gave greater protection to unsecured creditors and greater powers to judges.
- bankruptcy restriction order (BRO)** Order imposing further restrictions on a bankrupt, during and after the bankruptcy.
- bankruptcy restriction undertaking (BRU)** Restriction agreed with a bankrupt which lasts during his bankruptcy and afterwards.
- bank secrecy provisions** Conditions in a bank account contract that the bank will not divulge details of the account to any third party, including tax authorities. Such provisions have now generally become ineffective by changes in law.

bank statement	<p>Document provided by bank showing transactions for a period. They are usually issued each month. Very busy accounts may have a weekly statement while accounts with few transactions may have statements issued quarterly.</p> <p>Most banks now also offer a facility whereby a customer can look at their bank statement at any time on the Internet.</p> <p>Bank statements should be kept. Most banks provide free folders for this purpose. They should also be used for a bank reconciliation as part of a person's or individual's financial control.</p>
bank syndicate	<p>Group of banks who come together for a common purpose, usually to grant a massive loan.</p>
bank token	<p>Token used as a coin but produced by a bank. It particularly refers to the tokens issued by Bank of England between 1811 and 1816 for three shillings (15p) and one for one shilling and sixpence (7½p). A ninepence token was also prepared but not issued.</p>
bank transfer	<p>Process of moving money from one account to another, either to another account by the same person or to the account of another person.</p>
Bankwire	<p>Electronic communications network owned by a group of banks for transferring messages between them. It provides a clearing service known as Cashwire.</p>
banned and restricted goods	<p>Goods that need a licence or certificate before they may be imported into, or exported from, the UK.</p>
banner	<p>In marketing, an advertisement, usually at the top of a page of website, which leads to the advertiser's website.</p>
banner ad	<p>Term to describe the most common form of website advertising. This is a display usually measuring 469 by 60 pixels seen at the top of many commercial websites.</p>
banner exchange	<p>In computer advertising, a device to draw extra traffic to a website through banner displays.</p>
banner year	<p>Business jargon for the best year of a firm.</p>
banque d'affaires	<p>French: merchant bank, issuing house or investment bank.</p>
banning order	<p><i>Scottish provision</i> Order which bans a Scottish person from being in a specified place under Adult Support and Protection (Scotland) Act 2007 s19.</p> <p><i>Rogue landlords and property agents</i> Order made against them under Housing and Planning Act 2016 s14.</p>
banns	<p>Proclamation in an Anglican church that two people intend to marry and affording the opportunity for people to object. It is one of the formalities by</p>

which a legal marriage may be contracted.

Banque de France

Central bank of France.

It was established in 1800 and nationalised in 1946.

baptism

Christian sacrament of receiving a baby or adult into the church. The ceremony involves immersing or sprinkling the person with water.

It is a criminal offence to make a charge for baptising someone in the Church of England, under Baptismal Fees Abolition Act 1872. It is not illegal to make related charges such as for catering, photographs and music. Other churches are not covered by this law.

Baptism is also the formal occasion when a baby may be given its Christian names, even though the names have already registered. If a name is given to a baby at baptism in the Church of England, the person may legally change their name in adulthood when confirmed under Canon B27(6) of the Church of England, though this is rare in practice.

Generally all churches recognise baptism in another church, so a Roman Catholic who becomes an Anglican does not have to be rebaptised; indeed the church does not permit rebaptism. Baptism is sometimes a condition for holding a position. For example, a person cannot be a godfather or godmother unless baptised.

bar

(1) Professional body for barristers (usually spelled with a capital letter).

(2) Partition in a court which only officers may cross.

(3) Ban or order excluding someone or something. A right which is barred is extinguished.

barathrum

Insatiable extortioner. The term literally means an abyss.

barbell

Portfolio comprising both short-term and long-term obligations. The term comes from the fact that the portfolio is weighted at each end, like a barbell used in weight-lifting.

Barber, Anthony

Conservative politician (1920-2005) who was Chancellor of the Exchequer from 25 July 1970 to 4 March 1974 in the government of Edward Heath.

Barber proposed a significant relaxation of banking rules, introduced VAT, and reduced direct taxes.

Barber boom

Description of the economy between 1972 and 1974 when Anthony Barber (1920-2005) was Chancellor of the Exchequer.

The boom included increased government expenditure, reduced taxation and led to 18% devaluation. The balance of payments deteriorated, the money supply doubled and inflation was not reduced.

bar billiards

Game similar to billiards, snooker and pool.

It is specifically excluded from the scope of **amusement machine licence duty**.

bar chart

Graphic representation of various figures according to the height of bars.

barca	Boat, particularly an Italian barge.
Barclaycard	Credit card issued by Barclays Bank. It was introduced in the UK in 1967. It had a monopoly on the credit card market until the Access card was introduced in 1972.
Barclays	One of the Big Four banks in the UK, though it operates internationally. The bank was formed in 1690, though it did not take the name of Alexander and David Barclay until 1736.
bar code	Arrangement of parallel lines of varying widths printed on a product or label. These can be quickly scanned by a laser device to identify the product. Typically retailers record details of product lines against these codes, allowing receipts and supporting records to be produced accurately and quickly.
Bar Council	Senate of the Inns of Court which regulate conduct of barristers.
bar diagram	Another name for bar chart .
bare head	Description of coins whose obverse shows the monarch not wearing a crown, as in the half-crowns of 1825 and 1826.
bare licensee	Person who occupies premises merely by the assent of an owner, such as when hiring a room without a contract.
bare trust	Trust where the beneficiary has an absolute entitlement to the trust fund (or would do but for being under age or having an incapacity). A bare trust can be created very simply, such as by giving someone £1 to buy you an ice cream. For tax purposes, a bare trust is regarded as though it did not exist. Under see through provisions , the beneficiary is taxed as owner. Common uses of a bare trust is when property is held for a beneficiary who is under 18 (and who therefore cannot own property directly), and a temporary arrangement before transferring an asset to another beneficiary. Provisions for capital gains tax are contained in Taxation of Capital Gains Act 1992 s60. Provisions in relation to a partnership are given in Corporation Tax 2009 s1258A. Duties for self-assessment are set out in HMRC Brief 51/08.
bare trustee	Person who possesses property belonging to another by a legal but informal process, such as when lending someone a book. The capital gains tax position is given in Taxation of Capital Gains Act 1992 s60. For the purposes of the special lump sum death benefits charge from a pension fund, there is a specific definition in Finance Act 2004 s206(10) as inserted by Finance (No 2) Act 2015 s21.

bargain	<p>(1) A transaction for the purchase or sale of securities between two members of the London Stock Exchange</p> <p>(2) Any transaction involving money agreed between two people. Colloquially, the term is used more specifically for such a transaction which one person considers favourable to himself, such as goods which are less expensive than expected.</p>
bargain and sale	Legal process used for acquiring land between 1536 and 1925.
bargain basement	<p>Part of a store where goods are offered for sale at a significant reduction to the usual price.</p> <p>This term is now used even when such sales area is not in the basement of the building.</p>
bargain conditions apply	Term used by London Stock Exchange to indicate that a trade is made between two parties on terms previously agreed.
bargained constitutional	Management style which tolerates collective agreements between trade unions and management while trying to ensure that trade unions do not acquire too much power.
bargained corporatism	Political arrangement whereby bodies affected by decisions are involved in making them.
bargain hunting	<p>Looking for goods which are offered for sale at a lower price than expected.</p> <p>In investment, the term is sometimes used to mean looking for shares which undervalue a company and where that undervaluation seems not to have been noticed by other investors.</p>
bargaining	Act of negotiating a financial settlement, such as the price of goods or the rate of pay.
bargaining position	The offers or demands made by one party in bargaining .
bargaining power	<p>Relative strength of one party in bargaining to the other.</p> <p>A customer who does not really need the goods is in a strong bargaining position because the customer can simply walk away and not buy the goods.</p>
bargaining scope	In human resources, the range of employment issues that are within the scope of collective bargaining.
bargaining structure	Pattern of collective bargaining in a nation. It refers to such matters as the proportion of workers covered and the range of issues subject to bargaining.
bargaining unit	In human resources, the set of employees who are recognised for collective bargaining purposes.
bargain issue	In investing, term used to describe shares that are issued below value.

bargain price	When goods are offered for sale at a significant reduction to the usual price.
bargain sale	Sale of all goods in a store at a lower price than usual.
barge	Boat, particularly a big flat-bottomed boat designed to carry large loads by river and canal. VAT leaflet 701/20 notes that a barge is unlikely to qualify for zero-rating as a houseboat .
bargeman	Manager of a barge .
bargemaster	Owner of a barge .
Baring, Francis	British Whig politician (1796-1866) from the banking family, who was Chancellor of the Exchequer from 26 August 1839 to 30 August 1841.
barleycorn	Old unit of measure equal to about $\frac{1}{3}$ inch.
Barlow Report	Report of the Royal Commission on the Geographical Distribution of the Industrial Population, published in 1940. The main conclusion was to advocate that areas should never become too dependent on one industry.
barm	Froth of fermenting liquor.
barmitzvah	Jewish celebration for a boy who comes of age, usually around 13.
barmote courts	Courts which administer the laws and customs of lead mining in Derbyshire.
barn	Building in which straw, cereal and other farm produce is stored.
barnburner	Colloquialism for an exciting business opportunity.
Barnes, George Nicoll	Scottish Labour politician (1859-1940) who was leader of the Labour party from 14 February 1910 to 6 February 1911.
Barnett consequential	Mechanism used by the Treasury to adjust amounts of public expenditure in Scotland, Wales and Northern Ireland to reflect changes in spending announced for England and Wales, or for Great Britain. The formula is named after Joel Barnett, the former Labour MP (1932-2014), when he was secretary to the Treasury from 1974 to 1979. It replaces the Goschen formula devised in the 19 th century.
barometer stock	Share price or other security that is regarded as being a reliable indicator of the state of the financial market.
baron and feme	Husband and wife.
baronia	Land-holding where the tenant was a baron.

baroning	Slang term for selling contraband goods in a prison.
barrack room lawyer	Perjorative terms for someone who argues law but who has no legal training, particularly someone who considers himself more knowledgeable than real lawyers.
barrage	For capital allowances, this is specifically excluded from the scope of plant and machinery (Capital Allowances Act 2001 s22(1) List B).
barrator	Person who commits barratry .
barratry	(1) Common law misdemeanour of habitually maintaining lawsuits or quarrels. It was abolished by Criminal Law Act 1967. (2) Offence by a master or crew of a ship of acts designed to cheat the ship owner's, such as stealing the cargo. It is a peril usually covered by marine insurance .
barred lists	Two lists kept by the Disclosure and Barring Service . There are two lists: for children and for vulnerable adults. It is an offence to employ someone whom the employer knows is on a list. The term also applied to the predecessor lists of the Independent Barring Board (Safeguarding Vulnerable Groups Act 2006 s2(1)).
barred person	Person whose name is one one of the barred lists (Safeguarding Vulnerable Groups Act 2006 s3).
barrel	Oil Standard quantity measure for oil as a commodity. A barrel is 42 US gallons. This is about 159 litres or just under 35 UK gallons. This size happened to be that of the first available whisky barrels. Liquor A cask of predetermined size used to store alcoholic drink. In some processes, liquor is left to mature in a cask.
barrels per day (bpd)	Standard measure of oil production for a particular oil field.
barren	Description sometimes used to describe money that is not earning interest.
barrier	Physical or administrative obstacle which obstructs access, either deliberately or otherwise.
barrier analysis	Process of reviewing an organisation's policies and procedures to identify and eliminate impediments in the recruitment, selection and management of employees.
barrier option	Exotic form of option where the value depends on whether the underlying security passes a particular price. The most common types are knock-in and knock-out options .

barrier warrant	Warrant with an additional clause (the barrier) in its terms. Usually the warrant expires when the barrier is reached.
barrister	<p>Lawyer who represents clients in court in England and Wales. In Scotland the equivalent is an advocate. Traditionally barristers often appear in wigs and gowns.</p> <p>Generally they may only be instructed by a solicitor, though some tax accountants may now instruct barristers directly. Since 2004, some barristers have become public access barristers which means they may be approached directly by members of the public without having to instruct a solicitor first.</p> <p>A statutory definition of a barrister is "an individual who:</p> <ul style="list-style-type: none">(a) has been called to the Bar by an Inn of Court, and(b) is not disbarred by order of an Inn of Court" <p>(Legal Services Act 2007 s207(1)).</p> <p>For the first seven years of practice, a barrister may prepare accounts on the cash basis (Income Tax (Trading And Other Income) Act 2005s160). When this period has ended, the adjustment tax that becomes payable may be spread over ten years under <i>ibid</i> s238.</p>
barrister-at-law	Another name for a barrister .
BARS	Behaviourally anchored rating scales.
barter	<p>A trade when two people provide each other with goods or services rather than paying cash. Someone growing apples may agree to swap a quantity of them for potatoes grown by someone else.</p> <p>Barter was the only means of trade before the invention of money. The main problem with barter is the requirement for coincidence of supply. This means that you can only sell your apples to someone who wants them if that person can provide something you want.</p> <p>Barter is still widely practised. For example, many computer websites have barter agreements whereby two or more companies agree to promote each other's facilities.</p> <p>For most tax purposes, a barter is regarded as two supplies. As such they should be valued for the purposes of value added tax and income tax or corporation tax.</p>
Bartercard	<p>Barter trade exchange.</p> <p>The system works by participants providing goods and services to other members which may then be spent on supplies from other participants. A commission is paid to the scheme operators.</p>
barter credit	Amount credited to a Bartercard when a supply has been made under the scheme.

barton	Enclosed farmyard.
Barton's metal	Thin layer of gold laminated on to copper, used for medals and some coin tokens.
base	<p><i>Indexes</i></p> <p>Numerical standard. Measures such a FT-SE 100 index and the Retail Prices Index take a date and adopt a base of 100 or 1000 for that date. The index is then subsequently calculated using the same methodology to provide a simple comparison. So if a later index is 124, it shows that there has been a 24% increase since the base was adopted.</p> <p><i>Logarithms</i></p> <p>In logarithms, the base is the number to which the number which is raised to a power which becomes the logarithm. So, for a base of 10, the logarithm of 100 is 2.0 as 100 is the base of 10 raised to the power of 2.</p> <p><i>Business</i></p> <p>Place from which a person operates, such as the headquarters or head office of a business.</p>
base company	In international taxation, a company in a low-tax or no-tax jurisdiction that is used to shelter profits from tax.
base cost	In capital gains tax, the cost of an asset to the user. This includes the cost of the asset plus such charges as delivery and installation. In the UK, the term acquisition cost is more commonly used.
base currency	<p>Currency in which a portfolio is denominated.</p> <p>For tax purposes, it can also mean the currency to which exchange gains and losses arise.</p>
base deal	In card gambling, cheat by dealing from the bottom of the pack.
base erosion	Loss of a nation's tax revenue as a consequence of businesses moving to another country. The term was used by OECD in an Action Plan announced in a press release on 19 July 2013.
base erosion rule	Provision in many US tax treaties. It broadly restricts states claiming relief where more than half the corporation's gross income is paid as interest or royalties to residents of a third country.
base fee	Estate which is subject to some qualification. Since 1925, base fees are equitable interests in land.
Basel I	Document produced in 1988 by the Basel Committee on Banking Supervision on standards of bank regulation. Its main requirement was that banks should have capital equal to at least 8% of its risk-weighted assets.

Basel II	Document produced in 2004 by the Basel Committee on Banking Supervision. It builds on Basel I by providing more detail.
base metal	<p>Metal of little worth, such as nickel or iron, particularly in relation to a precious metal.</p> <p>For commodity purposes, base metals are usually regarded as aluminium, copper, lead, nickel, tin and zinc.</p> <p>For coins, base metals are all metals except gold and silver.</p>
base pay	<p>Rate of pay for a job before any supplements (such as commission or overtime) are added.</p> <p>The national minimum wage relates to base pay.</p>
base period	<p>(1) A period over which a comparison is made, such as comparing sales for a base period representing the summer season in different years.</p> <p>(2) American term which refers to the period an employee must work before becoming entitled to state unemployment insurance benefits.</p> <p>(3) Occasionally this is wrongly used to mean basis period in income tax.</p>
base rate	<p>The minimum rate at which banks are prepared to lend money to each other. Other borrowers and lenders usually pay a rate higher or lower respectively.</p> <p>In practice the base rate is set by the Bank of England. This acts as the benchmark for setting all other interest rates.</p> <p>The base rate is sometimes called the repo rate.</p>
base stock	<p>Method of valuing stock where a number of units are valued at a fixed amount, and a different method is applied for additional units. This was held not be an acceptable basis for tax purposes in <i>Patrick v Broadstone Mills Ltd [1953] 35TC44</i> and other cases. The matter is discussed in the Inspectors' Manual at BIM33125.</p>
base-tending	<p>Business jargon for protecting one's assets.</p>
base units	<p>Standard units of measure, also known as SI units.</p> <p>There are seven base units:</p> <ul style="list-style-type: none">• metre: length• kilogram: weight• second: time• ampere: electrical current• kelvin: thermodynamic temperature• mole: amount of a substance• candela: Luminous intensity <p>These units were adopted in 1960 by the eleventh Confèrence Générale des Poids et Mesures. All other standard units of measure are derived from the above.</p>
base value	<p>The enhanced acquisition cost of development land, as used for development land tax between 1976 and 1985.</p>

base-weighted index	A weighted average in index form where the weights remain fixed. Sometimes called a Lasparyes index .
base year	The first year of an index against which subsequent years are compared. Typically, the index starts at 100 or a similar convenient number.
basic allowance	For employment support allowance , a set rate paid during the assessment phase , usually for 13 weeks. This is followed by the main phase when the basic allowance may be supplemented by support component or work-related activity component .
basic amount	In relation to the lifetime allowance charge for pension contributions, the term is given a specific meaning in Finance Act 2004 s215(4).
basic arm's length return method (BALRM)	Method used in transfer pricing . It seeks to establish the transfer price on the basis of an estimated rate of return.
basic balance	In economics, the balance of a nation's current account plus long-term capital accounts.
basic bank account	Bank account with a restricted range of facilities. In particular, such accounts do not have a cheque book. Payments are made electronically or by using a card.
basic case	For tax tribunals, a case "which will usually be disposed of after a hearing, with minimal exchange of documents before the hearing" (The Tribunal Procedure (First-tier Tribunal) (Tax Chamber) Rules SI 2009 No 273 rule 23(2)(b)).
basic commodities	Farm produce produced in large quantities, such as corn and sugar. They may be subject to special trading arrangements for commodities .
basic conditions	Charities Term used in relation to recreational trusts . To qualify as a charity the trust must meet the basic conditions of meeting a need to improve the quality of life of needy people. The full conditions are set out in Charities Act 2011 s5(3). Universal credit The five conditions set out in Welfare Reform Act 2012 s4(1) as entitlement for universal credit. These are that the claimant: (a) is at least 18 years old (b) has not reached the age for state pension credit (c) is in Great Britain (d) is not receiving education, and (e) has accepted a claimant commitment . A claimant must also meet the financial conditions . In regard to (a) above, there are some limited conditions when someone

aged 16 or 17 may claim universal credit.

- basic discount** Normal discount offered and to which additional discounts may be offered. For example, a **wholesaler** may offer to sell to **retailers** at a basic discount of 35% but offer a further 5% if the retailer agrees to certain conditions regarding advertising, stock holding, quantity of sales or prompt payment.
- basic earnings assessment** Assessment that an employer may be required to conduct at the beginning of tax years from 2011/12 when an employee is provided with **childcare vouchers**. This only applies to employees who start receiving such vouchers after 5 April 2011.
The assessment is to determine the maximum weekly tax-free limit for such vouchers. This is done by the employer determining the highest rate of income tax it expects that employee to pay during the tax year. Provided the assessment is done on a reasonable basis, no additional tax or other change is required during the tax year should the highest marginal rate of income tax prove to be higher than expected.
- basic financial instrument** For accounting, the conditions are set out in FRS 102 from section 11.8.
Basic financial instruments are broadly cash, debt instruments, loan instruments, and preference shares.
- basic pay** Amount a person is entitled to receive for his or her normal work. This may be supplemented by **bonuses, commission, overtime** or similar payments. It is also called **base pay**.
For purposes of termination pay, the term is defined in Income Tax (Earnings and Pensions) Act 2003 s452D(7).
- basic payment scheme (BPS)** Payment to farmers under the common agricultural policy. It was introduced in 2015 as a successor to the single payment scheme.
- basic pension** Term sometimes used to mean **state retirement pension**.
- basic personal exemption** General term for **personal allowance** or its equivalent in other countries.
It is the amount a person may earn before paying tax.
- basic price** Price payable for goods with no extra products or accessories.
Additional charges may be made for an **extended warranty** or for sale of **accessories** or **spare parts**. Many products have little profit margin on the basic price and rely on sale of additional items. For example, most computer printers have a low profit margin. The suppliers earn most of their profits from the sale of ink cartridges.
- basic process** Traditional method for manufacturing steel.
- basic products** In the Common Agricultural Policy (CAP), a product of the soil, of stock-farming and of fisheries, shown in Annex I to the Treaty of Rome. The term also covers goods which are the result of first stage processing of certain basic products.

basic rate	<p>A rate which generally applies unless conditions apply for another rate.</p> <p>In particular, the term is used for the main rate of income tax. From 6 April 2008, this is 20% and is charged on the first slice of taxable income, after which the higher rate applies.</p> <p>In employment, the term is used to mean the amount an employee receives for his normal hours of work. This may be subject to higher rates for overtime, on-call or unsocial hours.</p>
basic rate code	<p>For PAYE, a special code "which effects deductions of tax wholly at the basic rate" (PAYE regulations SI 2003 No 2682 ref 7(3)(a)). The code is BR.</p>
basic rate limit	<p>Slice of income subject to the basic rate of income tax.</p>
basic rate of income tax	<p>Main rate of income tax, which is above any marginal rate and below any higher rate or rates.</p> <p>Further details are given under income tax rates.</p>
basic rate option	<p>Option that a local councillor may exercise to have the basic rate of income tax deducted from his or her allowances (PAYE regulations SI 2003 No 2682 s119(1)).</p>
basic rate taxpayer	<p>Someone who pays income tax at a rate no higher than the base rate.</p>
basic records	<p>Minimum financial records that must be kept by a business to support its tax returns.</p> <p>Guidance is provided by HMRC at http://www.hmrc.gov.uk/sa/rec-keep-self-emp.htm.</p>
basic registration	<p>Simple form of registration, particularly for VAT. Registration is by completion of form VAT 1 which must be specially ordered on each occasion.</p>
basic relief	<p>In international taxation, tax relief that is available to everyone regardless of their circumstances. The UK personal allowance is an example (though it is denied to some people).</p>
basic salary	<p>Another term for basic pay.</p>
basic standard	<p>In management accounting, a standard cost that is a permanent basis for comparison.</p>
basic state pension	<p>Another term for state retirement pension.</p>
basic strategy	<p>In gambling, term for the mathematically correct play for every match-up of dealer's hand against player's hand in certain games such as blackjack.</p>
basic sum assured	<p>For insurance, the original sum covered in a with-profits life assurance policy.</p>
basic tax point	<p>For VAT, time when a supply is made.</p> <p>This is when any VAT is due on the supply, unless the basic tax point is replaced by an actual tax point. This can happen when the supplier issues an</p>

invoice or receives payment. If the actual tax point occurs before the basic tax point and the two points fall in periods with different rates of VAT, the supply may be caught by **anti-forestalling provisions**.

basic wage

Another term for **basic pay**.

BASIS

Business Angel Seed Investment Scheme.

basis

(1) A point or number from which a calculation is made.

(2) The general terms of an agreement on which a matter is decided.

In resolving any disagreement of any nature, it is first necessary to establish the areas on which the parties are agreed. Philosophically if there are no areas at all where the parties are agreed, there can be no basis for a disagreement.

basis amount

In pensions, the amount calculated for determining the maximum level of **unsecured pension** or **alternatively secured pension** (and their equivalents for dependants) from a money purchase arrangement. The amount is basically the lifetime annuity which such a pension arrangement could secure.

basis of apportionment

The method by which a common overhead is apportioned between different **cost centres**.

For example, the cost of building insurance may have a basis of apportionment determined by the amount of floor space occupied by each cost centre. The costs of the payroll department may have a basis of apportionment determined by the salaries payable in each cost centre.

basis of assessment

Method for determining how some financial liability is to be determined. In particular, it determines the financial period for which a direct tax (such as corporation tax) should be charged.

basis period

Period of a trade for which an income tax or corporation tax assessment is made.

From 1994, the basis period for a trade is the **current year basis**. Previously it was the **previous year basis**, subject to some transitional provisions.

The main tax law is contained in Income Tax (Trading And Other Income) Act 2005 from s196. A provision relating to loss relief is contained in Income Tax Act 2007 s61.

basis point

One hundredth of a **percentage point**. So if an interest rate moves from 4.63% to 4.67%, it has increased by four basis points.

basis price

Price of a security or other investment calculated according to its **return**.

basis risk

Risk associated with imperfect hedging using **futures**. Such risk arises because of a difference in the price of the future and the price of the underlying asset, or because of a mismatch in selling dates.

basis swap	Exchange of two financial instruments where each has a variable interest calculated on a different basis.
basket of currencies	Economic term for a fictitious currency created by valuing a weighted mixture of currencies against which other currencies may be compared. This has now been replaced by the real currency of the euro which is valued on the same basis.
basket of goods	Representative selection of consumer goods used to calculate inflation.
basket pegger	Country that fixes its rate of exchange by reference to a basket of currencies .
basket trade	Contract or similar arrangement whereby various securities are bought and sold together.
basket warrant	Warrant for a collection of securities that are regarded as a single item.
Basle Agreement	Agreement reached on 9 September 1968 which allowed Britain to draw US dollars from the Bank for International Settlements .
Basle Concordat	Basis for agreement between central banks about supervision. It was agreed in 1975 and revised in 1983.
Basle Convergence Accord	An agreement reached in 1988 by the G10 countries and enacted through the Bank for International Settlements . It determined that banks should have sufficient capital to cover at least 8% of their capital at risk . It was amended in 1996 and was replaced by Basle Two in 2004.
Basle Market Risk Amendment	An amendment made in 1996 to the Basle Convergence Accord . It allows the use of internal risk models based on value at risk to be used in calculating a bank's risk capital.
Basle Two	An accord implemented in 2004 to replace the Basle Convergence Accord . It gives new definitions for risk capital and new weightings which give greater significance to credit ratings and internal models.
bastard	Illegitimate child. This meaning has now largely been abandoned in popular use in preference to its pejorative meaning.
bastard eigné	Elder son born before the marriage of his parents.
bastardise	(1) In law, the legal process before 1959 whereby a child became illegitimate if his or her parents' marriage is declared void. (2) Colloquially, any process of reducing the quality or value of something, particularly in an attempt to make it more popular.

bastardy order	Affiliation order once obtainable for an illegitimate child.
BASW	British Association of Social Workers.
BATA	British Air Transport Association.
Bata's price	Czech term for odd pricing , named after Tomáš Bat'a, a Czech manufacturer of footwear who widely adopted this practice.
batch	Quantity of items viewed as a single item for such purposes as production and sale.
batch control	A business's internal management system for maintaining the quality of its production or administration by breaking it down into batches of a small size and checking each batch.
batch costing	Method of calculating the price of one item as part of a batch of items produced at the same time.
batch number	Number assigned to a quantity of goods to allow them to be identified to the production process.
batch processing	System of data processing which uses batch control .
batch production	Making products in batches rather than individually or by mass production. Batch production is suitable when items are both produced and sold in large quantities.
batch-related activities	In management accounting, product-sustaining activities that a fixed for defined batch of products.
batch size	Quantity for a run of production. Subject to any constraints , the batch size is usually determined as the economic batch size which seeks to determine the optimum balance between incurring set-up costs and saving storage costs.
bate	Old form of the word abate .
bate an ace	Colloquialism for giving a competitor an initial advantage.
bath	This is listed in Capital Allowances Act 2001 s23 List C as an item that is not affected by the provisions of s21 (buildings) or s22 (structures). This means that its eligibility for capital allowance depends on the nature and purpose of the item.
Bath metal	Alloy of 75% copper, 24.7% zinc and 0.3% silver, named after the English city where it was first used. The alloy was used in 1720s to make coins for the American colonies.

bathol	Welsh: coin.
batta	Obscure term which means an addition to ordinary pay, or subsistence pay. It may derive from the Kanarese word for rice.
battels	Accounts for board and lodging at Oxford University. The accounts include tuition fees and other expenses.
BATR	Business asset taper relief, for capital gains tax.
battered	Description of person who is subject to regular assault, usually in the home. Various types of order may be made to protect the victims.
battery	For VAT, this is generally standard-rated. It cannot come within the scope of a reduced-rated supply of domestic energy (VAT notice 701/19).
batting average effect	Change in a statistical indicator that arises from changes in the population rather than from any cause of change. A common example is that productivity statistics can improve because unproductive businesses close down rather than an improvement in productivity from those that remain.
battle fatigue	Exhaustion from fighting to the point that a person can fight no more. It is a recognised psychological condition. The term came into use in the mid-20 th century with regard to soldiers. It has been extended to anyone who gives up any fight, including litigation, because they are exhausted by the process.
battle of the forms	Term sometimes used to describe the position when companies trade using standard forms, each of which has printed conditions claiming precedence over the other. The general rule is that the last document issued by one side prevails, however there are exceptions. The matter was considered by the Court of Appeal in <i>Butler Machine Tool Co Ltd v Ex-Cell-O-Corp (England) Ltd [1979]</i> .
BAU	Business As Usual. HMRC uses this expression for its processes in relation to pension schemes.
baud	Measure of the speed of data processing. One baud equals one bit per second.
bauf-week	Old term used by pit workers in Durham for the week in which the fortnightly-paid receive no pay.
bawbee	Scottish halfpenny first issued in 1541.
BAX contract	Canadian derivative product, usually with a maturity of three months.
Bayh-Dole Act	American law of 1980, introduced by Senators Birch Bayh and Bob Dole, to deal with intellectual property funded by federal government.

Bayesian controversy	Disagreement between two schools of thought about the nature of statistics. In Bayesian statistics, probability is limited to areas based on a supported belief, such as the outcome of throwing a dice repeatedly. Non-Bayesian statistics extends it to unsupported beliefs which rely on frequency-based interpretations, such as estimating future share prices.
Bayes Theorem	In statistics, a method for revising probabilities to reflect new information.
Bay Street	Street in Toronto where the stock exchange is. The term is sometimes used to mean the exchange itself, or the exchange and related financial institutions.
bazaar	Market where many different types of goods are offered for sale. The term is also used derogatively for an unregulated financial market.
B2B (Business-to-Business)	Website or other computer facility targeting other businesses rather than consumers.
BBA	British Bankers Association.
BBD	ISO code for Barbados dollar.
bboe	Billions of barrels of oil equivalent. A measure which allows production of oil and gas to be compared. About 6,000 cubic feet of gas is considered to be the equivalent to one barrel of oil.
BBSI	Bank and building society interest.
BBSI return	Bank and building society interest return, as required by Taxes Management Act 1970 s17.
BC	(1) Balancing charge. This abbreviation is used in the formula in Capital Allowances Act 2001 s104F(4). (2) Basis for conclusions. This abbreviation is used by International Accounting Standards Board as a prefix for its paragraphs of explanatory material as to how it developed international standards, and why it adopted certain policies and rejected others. (3) British Council. (4) Term used to mean balancing charge in formula in Capital Allowances Act 2001 s449(2).
B&C	Benefits and credits, under the national insurance and social security systems.
BCA	Business current account, at a bank.
BCAT	Bar Course Aptitude Test, for barristers.
BCC	(1) British Chamber of Commerce. (2) British Company Cases, law reports from 1983 published by CCH Editions.

BCD	Banking Consolidation Directive.
BCD credit institution	“Credit institution that has its registered office (or, if it has no registered office, its head office) in an EEA state, excluding an institution to which BCD does not apply under article 2” (FCA glossary).
BCE	Benefit crystallisation event.
BCLC	Butterworth's Company Law Cases, first published in 1983.
BCM	Better Case Management.
B&CR	Bankruptcy and Companies Winding-Up Cases, law reports from 1915 to 1942.
BCS	(1) British Compounded Spirits. (2) British Computer Society.
BD	Abbreviation: Bahraini dinar.
BD\$	Abbreviation: Barbados dollar.
BDA	British Dental Association.
BDT	ISO code for Bangladesh taka.
BE	Country prefix code for Belgium.
BEACON	Boston Exchange Automated Communications and Order Routing Network.
bead-house	Almshouse where the poor were required to pray for the soul of the deceased founder.
beading	Ring of small dots that appear around the rim of a coin.
beadle	Former common law parish officer chosen by the vestry.
beadsman	Old name for someone who lives in an almshouse. The term comes the practice of occupants who prayed with beads.
beamer	American term for a mortgage-backed annuity.
bean-counter	Derogatory term for an accountant.
beans	Old slang term for money, particularly the sovereign and guinea.
bear	Someone who expects a financial market to fall. Typically a bear is someone who short sells , that is the bear sells a security in the expectation of being able to buy it back at a lower price. A bear may also sell a security he does not own in the expectation of being able to buy it more cheaply later. Such a person is known as an

uncovered bear in the UK, or a **shortseller** in the USA.

The term comes from the animal, though the etymology is obscure.

It has been suggested that the term comes from the saying that such a person "sells the skin before he has caught the bear".

The opposite to a bear is a **bull**.

bear CD	Certificate of deposit that increases when the underlying market decreases.
bear closing	Purchase of securities, currencies, commodities or similar to close an open bear position . This usually has the effect of strengthening a weak market.
bear covering	Situation where a bear who has sold securities he does not own is now buying them to cover his or her position.
beard tax	Tax imposed in Russia between 1672 and 1725 by Peter the Great who wanted his citizens clean-shaven.
bearer	Person who has something, particularly something he can use, such as a bank note or a bearer bond.
bearer bond	Bond which is payable to whoever has possession of it, and not to a named individual.
bearer instrument	Financial instrument where ownership is transferred by mere possession of the document. Since 1986, such documents attract stamp duty at three times the rate payable if they were not bearer documents (Stamp Act 1891 Sch 1A). The liability for such documents to be stamped is given in Finance Act 1899 s5. Such documents are generally outlawed from 26 May 2015 under Small Business, Enterprise and Employment Act 2015 s84.
bearer levy	Tax charged on bearer securities by various states.
bearer security	A security where there is no register of owners. Proof of ownership is demonstrated simply by possession of the security, as for an ordinary banknote . A bearer security has coupons attached which must be physically removed from the certificate to claim a dividend . Such securities are now rare because of the risk of theft or loss of the document, and the fact that registered shares are more easily administered. Bearer securities attract a higher rate of stamp duty . Such documents are generally outlawed from 26 May 2015 under Small Business, Enterprise and Employment Act 2015 s84.
bearer share	Share where the holder's name is recorded. Ownership is evidence by possession of the share certificate.
bear hug	An indication to the board of a target company that an offer for it is being considered.

Particular forms are known as **strong bear hug** and **teddy bear hug**.

bear market	A stock market where prices are falling or expected to fall. The opposite is a bull market .
bear position	A short position in securities, such as selling shares you do not own with a view to buying them later more cheaply.
bear put spread	Purchase of a put option with a high strike price against the sale of a put option with a lower strike price, in the expectation that the underlying value will decline.
bear raid	Heavy short selling by one or more big traders in the hope that this will force down prices, allowing them to buy back the securities at a lower price.
bearskin jobber	Old name for someone who sells shares he does not yet own, what we now call simply a bear .
bear slide	Sharply falling financial market, usually caused by a bear raid .
bear spread	A position in the bond market that is long in short-dated securities, and short in long-dated securities. This allows the position to benefit from any fall in the security prices. If the yield curve becomes steep, the position can be closed out at a profit.
bear squeeze	Strategy whereby an authority supports a market by taking action to prevent bears from gaining from short selling . Central banks routinely do this in currency markets.
bear sucking his paws	Old expression which means industrial idleness. This comes from the false belief that a bear could live by sucking its paws if it could not be bothered to find food.
bear trap	Short-term dip in the price of a share or other security which tempts an investor to believe that there is a bear market and act accordingly.
beast of burden	Animal, such as a donkey or horse, capable of transporting goods. By analogy, the term can mean a worker who is given a large amount of work.
beati possidentes	Latin: blessed are those who have [for they shall receive]. The legal aphorism that possession is nine points of the law.
Beatles clause	Tax provision introduced in 1969 to counter an avoidance scheme whereby a wealthy individual could sell his income from personal activities. Under the avoidance scheme, the rights of the individual are sold to a specially formed company whose shares could be sold subject to capital gains tax at a lower rate than the income tax otherwise applicable. The clause simply makes such a payment from the company subject to income tax.

These provisions are now found in Income Tax Act 2007 from s773.

beat the bushes	Business jargon for moving to an unconventional or rural area.
beauty competition	Another term for beauty contest .
beauty contest	Colloquialism for a competitive tendering process. The term has also been used when rival trade unions present competing packages for recognition.
Beav	Beavan's Reports, law reports of the Rolls Court from 1838 to 1866.
becomes vacant	In relation to sale of high value local authority housing, this term is defined in Housing and Planning Act 2016 s79(1).
bed and breakfast	(1) Form of hotel type accommodation where a person is provided with the basic facilities of a bed and a breakfast. (2) A form of tax avoidance before 6 April 1998 which allowed a security to be sold one day and reacquired the next as a means of reducing a person's liability to capital gains tax . This arrangement is no longer effective. The tax provisions are now contained in Taxation of Capital Gains Act 1992 from s105. The topic is also addressed in IR interpretations 218 and 224.
bed and spousing	Term sometimes used for a scheme to bed and breakfast shares without falling foul of the anti-avoidance legislation. All that happens is that the taxpayer's spouse buys the shares.
bed and spread	Term sometimes used for a scheme to avoid the tax rules on bed and breakfast of shares. The share are sold in the normal way, but the investor then buys a different form of security, such as a spread bet, that can perform a similar function to owning the share.
Beddoe order	Order made by a court to grant trustees permission to bring or defend an action. It protects the trustees against a claim by the beneficiaries that the action should not be brought or defended. The name comes from the case <i>re Beddoe [1892]</i> .
bedesman	Old term for a licensed beggar in Scotland.
Bedford Level	District in the Eastern counties which was drained from 1634. A register was instituted for recording deeds for this land. This register was closed in 1920.
bed-pepping	Colloquial term for transferring existing investments into a personal equity plan to obtain the tax advantages. The term is particularly used when shares are sold and the cash is invested in a PEP.
bed-rock	Old American slang for a person's last dollar.

bedroom tax	A housing benefit claimant may, from April 2013, have that benefit reduced by 14% if their home has one unused bedroom, or by 25% for two.
Beeching Axe	Name commonly given to the massive reduction in the UK's railway network in the 1960s following a report by Dr Richard Beeching. The report led to the loss of 4,000 miles of railway and the closure of 3,000 stations, representing about a quarter of all track and half of the stations.
Beecham's pill	Rhyming slang for bill .
Beecroft Report	Government report on employment law written by Adrian Beecroft and published in 2011. It recommended no fault dismissal , which the government rejected, among many recommendations.
beefcake	In marketing, an attractive male model intended to appeal to women. The female equivalent is cheesecake.
BEER	Prefix for HMRC's tax manual on beer duty.
beer	<p>Any drink with an alcoholic strength of at least 1.2% which involves brewing with hops, or any equivalent drink (other than cider or perry). Strictly ale is any drink made from brewing, and beer is ale which uses hops, though such distinctions are not always observed. Beer includes many variations such as bitter, mild, brown ale, lager and stout.</p> <p>Beer is subject to excise duty on alcoholic liquor though at the lowest rate. From 1 June 1993, the strength of beer is determined as alcohol by volume which is the same measure as for other alcoholic drink. Previously the excise duty was calculated by reference to specific gravity.</p> <p>The legal definition "includes ale, porter, stout and any other description of beer, and liquor which is made or sold as a description of beer or as a substitute for beer and is of a strength not exceeding 0.5%..." (Alcoholic Liquor Duties Act 1979 s1(3)). The section exempts black beer.</p> <p>Beer brewed for private consumption is exempt (ibid s41).</p>
beer and ale duty	<p>Excise duty introduced in the Civil War. It is still charged though now known as beer duty, a category of alcoholic liquor duty.</p> <p>Beer and ale were the common day-time drinks until tea and coffee replaced them. The charge was per barrel brewed. There was a separate duty on hops at 2s per hundredweight home-grown, and 10s imported.</p>
beer-based mixed drink	<p>Term used in Customs notice 226 for a drink made by mixing beer with another alcoholic drink other than spirits. Provided the result has a strength no greater than 5.5%, it is dutiable as beer. Above 5.5%, it is taxed as wine.</p> <p>If mixed with spirits in anything other insignificant quantity, it is taxed as spirits regardless of strength.</p>
beer class	<p>One of four classes of beer used to determine the rate of beer duty.</p> <p>The classes are:</p> <ul style="list-style-type: none">• A: bulk beer held on the same or adjacent premises at which it was produced

- B: packaged beer held at the same or adjacent premises at which it was produced
 - C: bulk beer which was produced elsewhere
 - D: packaged beer which was produced elsewhere.
- (Customs notice 226).

beer duty

Alcoholic liquor duty that is charged on **beer**. The provisions are explained in Customs notice 226.

Beer duty is charged under Alcoholic Liquor Duties Act 1979 ss36-53 and Beer Duty Regulations SI 1993 No 1228, as amended.

Brewed drink has been taxed from time immemorial. The first formal excise duty was imposed in 1643 as a temporary measure to fund the civil war. Duty on the drink was abolished in 1830 in preference to excising the ingredients of malt, sugar and (from 1847) hops. In June 1880, malt duty was repealed and beer duty reinstated to the present day. The new beer duty was excised on alcoholic strength which could now be measured.

beer duty receipt

Receipt provided by a consignee when beer is moved under **duty suspension**. From 1 January 2011, such a receipt is not always required, as explained in Customs notice 226.

beer duty return

Form that must be submitted, usually monthly, in relation to **beer duty**. The standard form is EX46.

beer from small breweries

The name for **small brewery beer** from 1 October 2011.

beer money

Money allocated for buying beer and similar simple pleasures.

This was originally an allowance of one penny a day given to British soldiers between 1800 and 1823.

beer packager

Person who packages **beer** but does not produce it. Such a person should register for duty suspension, as explained in Customs notice 226.

beer production account

Requirements under Revenue Traders (Accounts and Records) Regulations 1992 that must be kept by a brewer.

They require the brewer to record actual production for the previous year for each month, and to estimate production for the current year. Details which have the force of law are given in Customs 226.

beer regulations

Regulations issued under Alcoholic Liquor Duties Act 1979 s49 regarding the administration of beer duty. The Regulations are SI 1993 No 1228 as amended by SI 1995 No 3059.

beetle drive

Fund-raising event based on a game.

Players take it in turns to throw a dice. Each of the six digits represents part of a beetle: head, body and four legs. The player draws that part on a piece of paper if not already drawn. The winner is the first person with a complete picture of a beetle.

before union	Description of a coin minted in the reign of Queen Anne before the union of Scotland and England in 1707.
beg	Ask for alms or other charity. Any similar gesture seeking something by an appeal to someone's better nature. Begging is usually demeaning.
beggar	Person who seeks to support himself by begging .
beggar my neighbour	Vague slang term for being poor. It is rhyming slang for "on the labour" meaning to visit the labour exchange . [The term is also used for a card game where one player must win everyone else's cards.]
beggarly	Poor; worthless.
beggary	Extreme poverty.
begging bowl	Bowl used by a beggar to collect gifts. The term may be used for any appeal for charitable funds.
begging letter	Letter sent to a wealthy person asking for money.
beghard	Man living a monastic life but who retains the right to return to the outside world. The term was common in Flanders in 13th century.
begift	Old word meaning to present with gifts.
begild	Old word meaning to cover with gold.
beginning inventory	American term for opening stock .
behavioural accounting	An approach to accounting which seeks to examine the social and psychological aspects.
behavioural-based interview	In human resources, a job interview that focuses on an applicant's experience, behaviour, knowledge, skills and abilities by asking the applicant to provide specific examples from their experience.
behavioural effect	<p>In relation to tax, this is the consequence of human behaviour on the mechanistic effect of a change.</p> <p>For example, the mechanistic effect of doubling a tax rate is to double the amount of revenue. This is mitigated by the behavioural effect, such as people finding ways to avoid paying the higher rate of tax.</p>
behavioural event interview	Alternative name for a situation interview .
behavioural finance	Branch of economics which studies the actual behaviour of investors, instead of assuming that they are rational and risk-averse.
behavioural interview	Human resources term for an interview designed to see if a person has the behavioural characteristics which are appropriate for a particular job or

function.

Such interviews typically ask the interviewee to indicate specific instances of showing certain behaviour from their experience. The interviewer does not indicate what behavioural characteristics are under consideration.

behaviourally anchored rating scales (BARS)

Technique used to evaluate the performance of an employee, particularly in an appraisal. The techniques are:

- break down a job into its key tasks
- identify a range of behaviours for each task
- place these behaviours in a scale
- assess the employees on the basis of these scales.

behavioural risk management In human resources, process of analysing and identifying behavioural issues in the workplace, and formulating policies to deal with them.

behavioural science Science which studies behaviour in people, animals and organisms.

behaviourism Psychological term which studies human behaviour.

behaviour modification In human resources, a conscious effort to improve an individual's behaviour.

behaviour observation scales (BOS)

Technique for evaluating the performance of an employee as part of the appraisal process.

The method is similar to **behaviourally anchored rating scales** except that the final step is replaced by recording how frequently the employee achieves the ideal behaviour.

behaviour therapy Course of treatment designed to reduce unacceptable behaviour in a person until they behave normally.

behemoth Sea monster. The term appears in the book of Job in the Bible, and is used elsewhere. The behemoth is traditionally blamed for losses of ships and cargos.

The word is sometimes used for any unseen and unforeseeable tragedy or occurrence which wrecks well-organised plans.

Beige Book US publication compiled by Federal Reserve Banks, largely based on anecdotal evidence of economic conditions.

bekah Half a shekel, currency of Israel.

bel Unit of relative sound measurement. It is more commonly measured by the **decibel**.

Belarus Eastern republic Its currency is the **Belarusian rouble** of 100 kopeks. The UK has a double taxation convention signed in 1985 with the USSR which still applies to Belarus and Turkmenistan.

Belasting over de Toegevoegde Waarde (BTW)

Dutch: value added tax. The term may be seen on invoices from Belgium or Netherlands.

Belbin's team roles

In human resources, a framework designed by British management consultant Meredith Belbin (1926-).

In his 1993 version, he identifies nine roles that must be present in a team for it to function effectively.

beldam

Grandmother or remoter female ancestor.

The term is French and is rarely used. It can be spelled with a final E.

Belfox

Belgian Futures and Options Market. It was opened in April 1991, is based in Brussels, and trades in Belgian government bond futures and stock index options.

belga

Currency of Belgium from 1926 to 1945, used for foreign exchange purposes where its value was fixed at five French francs.

Belgian franc

Currency of Belgium before it adopted the euro in 2002.

Belgium

European country. Member of the European Union. Its currency since 2002 is the **euro**, before which it was the Belgian franc.

The UK has a double taxation protocol of 2012. Some provisions remain of double taxation convention of 1987.

Belgium-Luxembourg Economic Union (BLEU)

Economic union formed between the two states of Belgium and Luxembourg on 25 July 1921. This arrangement continued after the formation of **Benelux** between 1944 and 1948. It is now subsumed in the European Union.

belief

For discrimination law, "means any religious or philosophical belief" (Equality Act 2006 s44(b)).

In human resources, a belief is a proposition an individual holds about his or her work. In an organisation, beliefs help to maintain a common understanding of why and how the organisation exists.

Belize

South American state. Its currency is the **Belize dollar** of 100 cents. The UK has a double taxation agreement of 1947, amended by supplementary agreements of 1968 and 1973.

Belize dollar

Currency of Belize.

bell curve

A **graph** depicting normal **probability**. The **x-axis** indicates the scale measurement and the **y-axis** indicates the number of occurrences. So a graph depicting the score possible from throwing two dice, will show just one for the scores of 2 and 12, but twelve for a score of 7. This range is known as the **distribution**.

The name comes from the fact that the graph looks like a cross-section of a church bell. It can be used to determine the chances of a defined event

occurring.

belligerent

One of the parties fighting a war.

belligerent enemy

In relation to laws on trading with the enemy, a country that joined with an enemy, such as Italy in the second world war.

bell the cat

A good idea which cannot be put into effect.

The expression comes from the fable where mice agree that a bell should be put round a cat's neck to warn them when he is near. All the mice agree but none will attempt it.

bell metal

Form of bronze alloy, typically of four parts of copper to one part of tin. It is used to make bells and cymbals. In France, some church bells were melted down to make coins.

bell-punch

Machine for punching tickets when it sounds a bell.

bell ringing

For VAT, this is usually a standard-rated supply if provided by a VAT-registered trader as part of a business.

Bell ringing as part of a funeral service is exempt from VAT. Further details are given in VAT notice 701/32.

bells and whistles

Colloquialism for new facilities added to a computer program or other system or procedure.

The term has also been used for additional provisions in derivative instruments or security issues that are design to attract investors.

This term particularly applies to new facilities that may not be needed. The expression comes from the cinema organs which incorporated many sound effects.

bell-shaped curve

In statistics, a graph that represents the normal distribution in a range of probabilities. The graph is similar to the shape of a church bell.

bell-siller

Old Scottish term for the fee paid to a bellringer at a funeral.

bellwether

Leading share which is considered a fair indicator of how the market as a whole is doing.

The term literally means a sheep with a bell round its neck to tell the shepherd where the flock is.

belly buster

In gambling, an inside straight draw.

belly tank

Another name for an **auxiliary tank**.

belly up

Colloquialism for the state of being insolvent.

belong

Requirement for claiming capital allowance, namely that the asset must belong to the taxpayer (Capital Allowances Act 2001 ss167-170). This was demonstrated in the case *Stokes v Costain Property Investments Ltd [1984]*

where a tenant was not able to claim for plant installed in the landlord's premises. This provision has now been amended.

belongings

For Customs purposes, "the goods you keep for your personal use, for example caravans, bicycles, clothing, cameras, furniture, pets and riding animals" (Customs notice 3). Alcoholic drink, tobacco products and tools of trade are excluded.

below par

For less than its nominal value. If a share with a nominal value of 25p sells for 20p, it is below par.

below stairs

Description of the domestic staff of a private house. The term comes from the 18th century practice of building their quarters in the basement.

below the fold

In computer marketing, the bottom most visible area of a web page as displayed on a standard screen size (currently defined as 800 x 600 pixels).

below the line

Items such as **extraordinary items** and payments of **dividends**. The line is **net profit after tax** in the **profit and loss account**. Items below the line relate to how the profit is applied rather than to how it has been calculated.

Businesses may try to put expenses below the line and income **above the line** as this maximises the reported profits.

below the salt

Being a servant rather than family member or management.

In the middle ages, it was the practice to put the salt on the meal table so that the family sat on one side and their servants on the other.

belt

Zone or district of a country which has a special property or attracts a special provision, such as Green Belt of protected land.

belt and braces

Description of any arrangement where there are two means to achieve the same desired safety objective. The term indicates that the person is very cautious.

Beltway

Name for area of Washington which includes the main centres of power of the federal government: White House, Congress, federal agencies, courts and Pentagon.

BEN

Business Economic Notes, old publications produced by Inland Revenue.

benami

Term used in India, Pakistan and Sri Lanka where there is a transfer of title of property to another person though it is understood that the transferee is merely the nominee of the transferor.

The term is sometimes also (wrongly) used for a sham transaction intended to have a similar effect.

bench and bar

Judges and magistrates.

Benchers

Governing body of each of the four **Inns of Court** which admit barristers.

benchmark	<p>Any standard set down as a guide to achievement.</p> <p>Its original meaning is a surveyor's mark on rock to be used as a reference point.</p>
benchmark accounting policy	<p>The normal policy as prescribed in an accounting standard, as against an alternative accounting policy which the standard may permit.</p>
benchmark bond	<p>Bond that is regarded as a reliable indicator of the general market.</p>
benchmark index	<p>Index or similar measure against which the performance of a particular type of fund is measured.</p>
benchmarking	<p>Process to measures standards of performance against others doing similar work.</p>
benchmark price	<p>Price of an item which is regarded as a benchmark for other items, particularly a commodity or oil.</p>
benchmark scale rate (BSR)	<p>Rate published by HMRC on its website setting recommended rates for accommodation and subsistence for employees when on business overseas without the employee needing to produce receipts.</p> <p>The law is Income Tax (Earnings and Pensions) Act 2003 from s289A as inserted by Finance Act 2014 s11(1) and effective from April 2016.</p>
bench strength	<p>Human resources term for the benefit an organisation derives from having people with a range of complementary and overlapping skills. The term derives from American sport.</p>
bench warrant	<p>Warrant issued for the arrest of a person who has failed to attend court.</p>
bene decessit	<p>Latin: well left.</p> <p>A certificate given to a pupil on satisfactory completion of their studies.</p>
benefaction	<p>Altruistic motive, such as when donating to a charity or staff welfare fund.</p> <p>An element of benefaction is in itself not sufficient to disallow tax relief for trade expenditure provided there is sufficient trade connection. The issue is discussed in the Inspectors' Manual at BIM37400.</p>
benefactor	<p>Person who provides a benefit to another, such as a patron of a charity or artistic body.</p>
benefice	<p>Originally an estate held for life under feudal law. The term is now restricted to a living held in the Church of England.</p> <p>The term "comprehends all rectories with cure of souls, vicarages, perpetual curacies, endowed public chapels, and parochial chapelries, and chapelries or districts belonging or reputed to belong, or annexed or reputed to be annexed, to any church or chapel, and districts formed for ecclesiastical purposes by virtue of statutory authority, and includes benefices in the patronage of the Crown or of the Duchy of Cornwall, but does not extend to any of Her Majesty's Royal Chapels, or to any Royal peculiar, nor to any</p>

cathedral or capitular preferment or dignity, nor to any chapel belonging to any college, school, hospital, inns of court, asylum, or public or charitable institution, nor to any private chapel." (Benefices Act 1898 s13(1)).

- beneficence** Active kindness, particularly in the provision of money and goods.
- beneficent employment** Term used in the 1930s for employment which was considered to be beneficial to children who could therefore leave school at an earlier age.
- beneficial entitlement** In relation to income of non-residents, this term is given a specific meaning in Income Tax Act 2007 s822.
- beneficial interest** Where a person has any kind of financial stake in an asset, business or venture, regardless of whether that beneficial interest is formally recognised.
- beneficial joint tenancy** Having the benefit of a **joint tenancy**. This is where the joint owners have an identical interest in the property. The death of an owner causes his or her to pass to the remaining owners under **survivorship**.
- beneficial loan** Loan from an employer to an employee that is either interest-free or where interest is charged at a low rate. From 6 April 1978, a beneficial loan can create a taxable benefit in kind for the employee.
- From 6 April 1994, for such a loan of at least £10,000, the amount of interest foregone may be taxable as a **benefit in kind** (Income Tax (Earnings And Pensions) Act 2003 s416). The limit was £5,000 before 6 April 2014.
- In tax law, it is called an **employment-related loan**.
- The tax charge is calculated according to the amount of interest that would be payable if the **official rate of interest** had applied minus the amount of interest actually paid, if any, by the employee.
- From 1 June 1994, the charge does not apply if the employer is in the business of making loans and the rate is that offered to customers of the employer.
- Between 1991 and 2000, additional relief could be claimed if the loan was to buy a property. This additional relief was the equivalent to mortgage interest relief which then provided tax relief for mortgages up to £30,000.
- The previous law was given in Income and Corporation Taxes Act 1988 s160 and Sch 7.
- Between 6 April 1978 and 5 April 1994, relief was given on the amount of interest up to £300 a year, rather than on the amount of the loan. Before 6 April 1978, beneficial loans were not taxable.
- From 22 March 2006, equivalent tax relief is given for a loan which takes a Sharia-compliant form.
- The scope of what constitutes a beneficial loan was considered by the Special Commissioners in the case *Harvey v Williams [1998]*.
- beneficially entitled** Term used to describe what comprises a person's **estate** for the purposes of inheritance tax. It comprises all assets to which the deceased was beneficially entitled immediately before death.

beneficial occupation	Term sometimes used to refer to a person who occupies property at no rent or low rent. This can give rise to a tax charge.
beneficial occupier	Person who occupies a property but does not fully own it.
beneficial owner	<p>Legal term for the person who derives the real benefit of ownership rather than the nominal owner. Typically the nominal owner exercises the rights of ownership in accordance with the wishes of the beneficial owner.</p> <p>Such arrangements are usually used in two situations:</p> <ul style="list-style-type: none">• where the beneficial owner wishes to conceal his or her identity; <p>or</p> <ul style="list-style-type: none">• for administrative convenience. <p>Concealing a person's identity may comprise fraud depending on the circumstances. It can be legitimate in some circumstances, such as where a beneficial owner fears that a price would be inflated if his real identity was known.</p> <p>Administrative convenience includes most forms of trusteeship and nominee accounts.</p>
beneficial owner	<p>Person who is regarded as the real owner of an asset, even though the asset may be in someone else's name, such person being the nominal owner.</p> <p>The term is also sometimes used to mean the rights of a beneficiary of a trust.</p>
beneficial use	Use which is considered to be beneficial to the whole public, particularly of environmental assets such as air and water.
beneficiary	<p>Person who receives property or other benefit from a trust, will or intestacy.</p> <p>For social security, "in relation to any benefit, means the person entitled to that benefit" (Social Security Contributions and Benefits Act 1992 s122(1)).</p>
beneficiary's income	The taxation of a beneficiary company's interest in an estate is set out in Corporation Tax Act 2009 from s943.
beneficiary's own resources	<p>Funds that a beneficiary has other than from a trust or inheritance.</p> <p>The term is particularly used in Inheritance Tax Act 1984 s29A with regards to abatement of relief for deaths from 26 July 1989. Suppose a man leaves £100,000 to his mistress and the balance of £200,000 to his wife. The wife could pay the mistress from her own funds and then claim £300,000 from the estate which would be covered by the exemption from spouses. Under s29A, this is no longer of effect. The exemption is abated to the net benefit received by the wife.</p>
benefit	<p>Any kind of financial advantage or asset to a person or business.</p> <p>In relation to termination of employment, the term "includes anything in respect of which, were it received for performance of the duties of the employment, an amount —</p> <ul style="list-style-type: none">(a) would be taxable earnings from the employment, or(b) would be such earnings apart from an earnings-only exemption"

(Income Tax (Earnings And Pensions) Act 2003 s402(1)).

benefit accrual condition	In relation to taxation of pensions, this term is defined in Income and Corporation Taxes Act 1988 s615(6A) as inserted by Finance Act 2017 Sch 3.
benefit Acts	“Means — (a) the Social Security Act 1973, (b) the Social Security Acts 1975 to 1991” (Social Security Act 1986 s84(1)).
benefit amount	In insurance, the amount payable under the policy.
benefit associated with gifts	If a company makes a gift to charity and receives back a benefit, that benefit may be taxable as income under Corporation Tax Act 2009 s108 or Income Tax Act 2007 s418. The limit for such gifts was increased from £500 to £2,500 from 1/6 April 2011.
benefit basis	The benefit structure of a group insurance policy or pension arrangement. It defines the type and level of benefits for each category of membership. For example, life assurance cover for one category of employees might be 3 x salary and for another category of employees it might be 4 x salary (the categories must be clearly defined groups in terms of jobs carried out so as to ensure there is no illegal discrimination).
benefit cap	Maximum amount of social security benefits that a household may receive. It is proposed to introduce this cap in 2013. The cap will be set at median household earnings, estimated at around £500 a week for a couple (with or without children), and £350 for a single person. The law is Welfare Reform Act 2012 from s96. The figure is determined by reference to estimated average earnings . This is the “average weekly earnings of a working household in Great Britain after deductions in respect of tax and national insurance contributions” (Welfare Reform Act 2012 s96(7)). The benefits affected are universal credit, income support, jobseeker's allowance, employment and support allowance, housing benefit, child benefit, carer's allowance and industrial injuries benefit. The benefits cap does <i>not</i> apply if anyone in the household is receiving working tax credit, disability living allowance, constant attendance allowance or is a war widow. The benefits cap is also disapplied: <ul style="list-style-type: none">• if the claimant is in the support group for employment and support allowance• for nine months, if the person had been in work for 12 months and lost his or her job through no fault of their own, or• to allow transitional support when this results in a loss of housing benefit.

- benefit coin** Proposal from the Office of Science in January 2016. Under the proposal, social security benefits and similar would be paid in a particular form of electronic currency that could only be used for a defined range of spending.
- benefit cost** In relation to income tax on **trivial benefits** provided to employees, means “
(a) the cost of providing the benefit, or
(b) if the benefit is provided to more than one person and the nature of the benefit or the scale of its provision means it is impracticable to calculate the cost of providing it to each person to whom it is provided, the average cost per person of providing the benefit”
(Income Tax (Earnings and Pensions) Act 2003 s323A(5) as inserted by Finance Act 2016 s13).
- benefit crystallisation event (BCE)**
Defined occurrence which triggers an entitlement to benefit. The term is particularly used in pensions to mean that the moment when a member decides to take the pension benefit. This is not always at retirement.
A list of such events is given in Finance Act 2004 s216.
- benefit from crime**
“A person benefits from conduct if he obtains property as a result⁶ of or in connection with the conduct” (Proceeds of Crime Act 2002 s76(4).
The conduct is defined as either **general criminal conduct** or **particular criminal conduct**.
- benefit in kind**
Something provided by an employer to an employee other than cash. Common examples of benefits in kind include **company car, medical insurance, beneficial loans** and **subsidised facilities**.
The provision of a benefit in kind generally creates a liability for **income tax**, though many benefits are specifically exempted from tax. This is usually disclosed on a year-end form **P11D**. The tax on the benefit is usually collected by adjusting the employee's **tax code** for the following tax year. From April 2016, some benefits may be taxed at source under **payrolling**.
Some benefits have been taxable since 1948. The first significant increase in scope occurred in Finance Act 1976. Since then many details provisions have been enacted on particular benefits.
From 1999, there is usually also a liability for **employers' national insurance** or its equivalent as **class 1A** or **class 1B national insurance**.
There can still be tax advantages in providing a benefit in kind. First, the employee rarely has to pay national insurance. Also, some benefits (such as beneficial loans and company cars) are taxed under specific provisions which can create a tax advantage against providing cash. Conversely, such provisions can make a benefit (particularly low-mileage expensive company cars) more expensive than paying the employee additional salary to provide the benefit himself.
Employers sometimes wish to provide benefits for non-tax reasons, particularly where the **perceived value** is high, or where the benefit connotes status.

benefit of clergy	Old law which exempted clergy from secular courts for some offences.
benefit offence	<p><i>Social security criminal offences</i></p> <p>“Means —</p> <ul style="list-style-type: none">(a) any criminal offence in connection with a claim for a relevant social security benefit;(b) any criminal offence in connection with the receipt or payment of any amount by way of such a benefit;(c) any criminal offence committed for the purpose of facilitating the commission (whether or not by the same person) of a benefit offence” (Social Security Administration Act 1992 s121DA(5)). <p><i>Loss of tax credits</i></p> <p>In relation to loss of tax credit, the term “means any of the following offences committed on or after the day specified by order made by the Treasury —</p> <ul style="list-style-type: none">(a) an offence in connection with a claim for a disqualifying benefit;(b) an offence in connection with the receipt or payment of any amount by way of benefit;(c) an offence committed for the purpose of facilitating the commission (whether or not by the same person) of a benefit offence;(d) an offence consisting in an attempt or conspiracy to commit a benefit offence” (Social Security Fraud Act 2001 s36A(10) as inserted by Welfare Reform Act 2012 s120 (2)). The same definition is used in other sections of the Act.
benefit officer	Appropriate officer of the Department of Work and Pensions (or its Northern Ireland equivalent) who may certify that a worker engaged in a trade dispute and who is not receiving refunds of tax under the PAYE system, may qualify for jobseeker's allowance (PAYE Regulations SI 2003 No 2682 regulation 64(11)).
benefit principle of taxation	<p>Principle that the amount of tax a person pays should relate to the benefit received from the state.</p> <p>This principle is rarely followed by any country as, generally, those in greatest need of state benefit are usually least able to pay for such benefit.</p>
benefits	The monetary amounts payable by the insurance company to a claimant, assignee, or beneficiary under the terms of an insurance policy.
Benefits Agency	Former government dept that dealt with social security. In 2002, it was replaced by Jobcentre Plus, which is now part of the Department of Work and Pensions.
benefits associated with a gift	Term used in Income Tax Act 2007 s417 in relation to donations under Gift Aid. It refers to a benefit received from a charity by its donor. If the associated benefit exceeds a limit, the tax relief on the donation is restricted.
benefits code	Tax term for Chapters 3 to 7, 10 and 11 of Income Tax (Earnings And Pensions) Act 2003. These determine how benefits in kind are taxed.

- benefit segmentation** Dividing a market according to the benefit they seek from a particular product or service.
- benefits in kind** Plural of **benefit in kind**.
- benefits we have awarded for added years**
Term used by employers in relation to occupational pension schemes.
Added years are additional pensionable years that the employer may grant when a member of staff retires early because of redundancy or in the efficiency of the service, These additional years will increase the employee's retirement benefit which are paid for by the employer, not the pension fund, and are usually financed from the savings that will be made.
- benefit test** In international taxation, consideration of whether a company in an international group derives sufficient benefit from expenditure to allow it to be deducted from taxable profits. This was first addressed by OECD in its 1979 report on transfer pricing.
- benefit year** Year in which contributory social security benefits are paid in respect of a contribution year or years.
This is defined in Social Security Contributions and Benefits Act 1992 s21(6) as beginning from the first Sunday in January, to the Saturday before the first Sunday in the following January.
- Benelux** Customs union formed between Belgium, Netherlands and Luxembourg between 1944 and 1948. In 1968 it was replaced by the single tariff of what is now the European Union.
- bene merentibus** Latin: to the well-deserving.
- benevolence** (1) Generosity.
(2) An addition to **tenths and fifteenths** imposed in 1492 by Henry VII with doubtful parliamentary authority to collect such amount as those "that live in a splendid manner give evidence of ability to pay".
- benevolent purpose** Purpose that is for the public good, but may not meet the conditions for being regarded as charitable.
- benevolent society** Friendly society formed for the objects of benevolence or charity.
- Benford's law** Mathematical observation that in any random selection of numbers from real life, the most common digit is 1, then 2 and so on to 9 as the least common. (Zero is ignored because of the unusual ways it can be used).
The actual frequencies are:

Number	Frequency	Number	Frequency	Number	Frequency
1	30.1%	4	9.7%	7	5.8%
2	17.6%	5	7.9%	8	5.1%
3	12.5%	6	6.7%	9	4.6%

This arises from the fact that lower numbers predominate in any sequence from 1. For example, the numbers 1 to 12 contain 15 digits, of which there are 5 number 1, 2 number 2, and just one of each other digit.

The law is named after Frank Benford (1883-1948) who discovered it in 1938.

One of its uses is in checking credibility for fraud. If someone made up a series of numbers, they usually produce a more even distribution of numbers. A departure from Benford's law does not automatically indicate fraud, but it could indicate that further investigation is appropriate.

benign Favourable. The term is particularly used for a regime which is reasonably kind though capable of being oppressive.

benignae faciendae sunt interpretationes et verba intentioni debent inservire

Latin: liberal interpretation should be the rule, and the words should be made to carry out the intention.

benign test

For tax avoidance schemes, one of three tests that a **scheme designer** must pass not to be regarded as a promoter of schemes.

"The benign test applies where, in the course of providing tax (or NICs) advice, the person is not responsible for the design of any element of the arrangement or proposal (including the way in which it is structured). For example, a promoter marketing or designing a scheme may consult a second firm to provide advice in relation to a particular element of it. This second firm will not be a promoter, despite being involved in the design of the overall scheme, so long as any tax (or NICs) advice does not contribute to the tax (or NICs) advantage element of it." (HMRC guidance DOTAS, January 2016).

Benin

African state. Its currency is the **Central French African franc**. The UK has no tax treaty.

Benjamin order

Order made by a court for distribution of assets where it is not known whether a beneficiary is alive. The name comes from the case *re Benjamin [1902]*.

Benjamin's mess

The largest share.

This is based on Genesis 43:34 in The Bible which reports that Benjamin's share of the banquet was five times the size of anyone else's.

Benthamism

Philosophy of Jeremy Bentham (1748-1822) that happiness is identical to pleasure.

ben trovato

Italian: well invented.

BEP

Breakeven point.

BEPS

Base erosion and profit shifting.

Name used by OECD in an Action Plan of July 2013 with regard to

countries losing tax revenue by businesses transferring to another country.

bequeath

Leave money or assets in a will. The items left are a **bequest**.
Strictly speaking, land is **devised** and not bequeathed.

bequest

A sum of money or other property available upon the donor's death.

bequest tax

In international taxation, any form of inheritance tax or death duties on bequests.

bereaved minor

Person under the age of 18, at least one of whose parents or step-parents has died.

It may be possible to set up a tax-advantaged **trust for a bereaved minor (TBM)** for such a beneficiary.

The term "means a person —

(a) who has not yet attained the age of 18, and

(b) at least one of whose parents has died" (Inheritance Tax Act 1984 s71C).

bereaved parent

For purposes of statutory bereavement payment, "an employee is a bereaved parent if the employee satisfies prescribed conditions as to relationship with the child who has died" (Social Security Contributions and Benefits Act 1992 s171ZZ6(3) as inserted by Parental Bereavement (Leave and Pay) Act 2018 Sch para 5).

bereavement

Loss when someone close dies. Consequences of **death** are explained in that section.

A husband, wife or civil partner of someone who dies may be eligible for some of these social security benefits:

- **bereavement payment:** a lump sum;
- **bereavement allowance:** weekly benefit paid to surviving partners who are at least 45, for 52 weeks; and
- **widowed parent's allowance:** weekly benefit paid to surviving partners with children.

Entitlement to these benefits depends on the late partner having sufficient national insurance record.

bereavement allowance

Social security benefit that was paid for 52 weeks to a young widow, widower or surviving civil partner.

A person cannot receive bereavement allowance and widowed parent's allowance at the same time. In practice a person receives bereavement allowance when their entitlement to widowed parent's allowance ends.

The main conditions for receiving the allowance are:

- the partner died after 8 April 2001;
- the claimant was at least 45 years old when the partner died;
- the claimant is still under state pension age;
- the partner died within the last 52 weeks; and
- the partner either had sufficient national insurance record or died from an industrial injury or disease.

The payment is subject to income tax (Income Tax (Earnings And Pensions) Act 2003 s660(1)).

From 6 April 2017, it is replaced by **bereavement support payment**.

bereavement payment

Lump sum social security payment (of £2,000 at abolition) paid to a widow, widower or surviving civil partner.

The main conditions are that:

- the partner died after 8 April 2001;
- the late partner had sufficient national insurance record;
- the claimant was under pensionable age when their partner died (or was over pension age but not entitled to a state pension);
- any claim is made within 12 months of death.

From 24 September 2007, it may not be necessary to make a claim as payment will be made automatically.

Entitlement is not affected by the remarriage of the claimant.

This benefit is not subject to income tax (Income Tax (Earnings And Pensions) Act 2003 s677).

From 6 April 2017, it is replaced by **bereavement support payment**.

bereavement support payment (BSP)

Benefit to a person who is below pensionable age when their spouse or civil partner dies (Pensions Act 2014 s30(1)). It is payable from 6 April 2017.

This is exempt from income tax under Income Tax (Earnings and Pensions) Act 2003 s671(1) Table B as amended by Finance Act 2015 s16.

BSP replaces bereavement payment, bereavement allowance and widowed parents' allowance.

bereft

Word that originally meant "bereaved". It is now more widely used, but is still restricted to something that a person once had.

Berg Report

Report written by Elliot Berg for the World Bank in 1981. It addressed issues of economic development in sub-Saharan Africa.

berhad

Malay: private. The term is used to describe a Malaysian limited company.

Berlin white beer

Form of **black beer** which is exempt from alcoholic liquor duty (Alcoholic Liquor Duties Act 1979 s4(1)).

Bermuda

Group of Caribbean islands that is a British Overseas Territory. Its currency is the Bermudan dollar.

Berne Convention

An agreement first made in 1886 which provides the basis for international law for copyright.

Berne Union

Informal name for the International Union of Credit and Investment Insurers. The UK government's Export Credit Guarantee Department is a member.

Bernoulli equation

In mathematics, a differential equation in the form:

$$y' + P(x)y = Q(x)y^n$$

where n does not equal 1 or 0.

It is named after Jakob Bernoulli of the Swiss family of mathematicians who first discussed it in 1695.

Bernoulli equations have the unusual property of being non-linear differential equations with known exact solutions.

Bernoulli's theorem	Theorem which gives a formula for determining the number of successful trials according to the probability of success in one trial.
Bernoulli trial	Experiment with fixed probability where p = success and $1-p$ = failure. In a sequence of such trials, the probability remains constant regardless of how many trials there are.
Bernoulli variable	In mathematics, a variable that has just two states, such as on or off, or good or bad.
BERR	Department for Business, Enterprise and Regulatory Reform. In 2009, it was replaced by Department for Business, Innovation and Skills.
Berry Patch	In gambling, American slang for an extremely easy game.
berth	Sleeping place on a ship or train which may be hired.
BERTI	Binding European Retrieval of Tariff Information. This is a correspondence handling and management system used by the Tariff Classification Service. It is used to produce Binding Tariff Information classification decisions for issue to importers and exporters; and Liability Rulings for issue to Customs staff.
BES	Business expansion scheme.
BESA	Bond Exchange of South Africa.
besaie	Great-grandfather. A form of legal action for recovery of lands.
bespoke retail scheme	For VAT, an arrangement which allows large businesses, which are ineligible to use published retail schemes, to agree with HMRC a method for accounting for VAT on retail supplies.
BEST	Business Education and Support Team, part of HMRC.
best advice	Legal requirement that any financial adviser, independent or tied, must offer the best advice regarding financial products for a client. The requirement was introduced by Financial Services Act 1986.
best effort	American term for a new issue which is not underwritten but simply sold for whatever price can be achieved.
best-evidence rule	Rule requiring a party to litigation to call the best evidence that the nature of the case will allow.

best execution	The obligation placed by the London Stock Exchange on a broker to obtain the best deal for a client in any transaction. This means the highest price for a seller and the lowest price for a buyer. In practice this is administered by SEAQ .
best judgment assessment	<p>Tax assessment made by the HMRC in the absence of any or sufficient information from the taxpayer. The inspector is required to make such an assessment to the best of his or her judgment. There have been many cases when a taxpayer has challenged an assessment on the grounds that it was not a best judgment.</p> <p>The principles of best judgment were summarised in the tribunal case <i>Shah Aziz [2018] TC 6405</i>, thus:</p> <ul style="list-style-type: none">▪ HMRC must have some factual basis for making their assessment▪ the duty to disclose tax rests with the taxpayer. HMRC cannot be expected to do the taxpayer's work▪ a tribunal should not set aside an assessment just because it disagrees as to how that judgment should have been exercised▪ a tribunal needs "a much stronger finding" to set aside an assessment, such as its being arrived at "dishonestly or vindictively or capriciously" or by being a spurious guess or wholly unreasonable▪ where based on sampling, such as of test purchases, there must be sufficient sampling▪ the fact that cash is removed from the till does not necessarily mean that the owner has removed it.
best part	Greater part.
best price	<p>(1) In marketing, a price that is not likely to be bettered by the seller.</p> <p>(2) In investing, an order to buy a security at the best price possible.</p>
best profit equilibrium	Point at which the marginal costs of a business's production exactly matches the marginal revenues from sales.
Best's ratings	Rating of financial reliability provided by the agency A M Best. It provides details of companies in USA, Canada and UK to leading insurance companies.
best value	Under the Local Government Act 1999, local authorities must constantly aim to improve their services. Best Value was the approach introduced that gives local authorities a duty to provide local people with high-quality and efficient services.
best value authority	Parish council or community council which meets best value standards set by central government (Local Government Act 2003 ss34-35). See also Local Government Act 1999 Part 1.
best value judgment	Basis on which HMRC may issue a tax assessment when the taxpayer has not submitted a return or has submitted what is believed to be an inaccurate return.

bet	<p>“A bet is merely an irrational agreement that one person should pay another person on the happening of an event” (<i>Evans v FCT [1989], Australian case</i>). This held that betting is not a trade. However organising oneself to take bets is a trade. This matter is discussed in the Inspectors' Manual at BIM22016.</p> <p>An exception is where a bet is related to a trade, such as placing a bet to hedge against a downturn in trade, such as a fall in a share index. Such a bet has the nature of insurance.</p>
beta	<p>General</p> <p>The second letter of the Greek alphabet, indicated by the symbol β or the capital B. The letter has many uses. In Greek, the letter also indicates the number 2.</p> <p>Investment</p> <p>Measurement of a return on a particular share compared with a 1% return on the stock market in general. This shows the volatility of that share, as expressed by the beta factor.</p>
beta coefficient	Measure of the volatility of the share. This is also known as the beta factor .
beta distribution	In statistics, a standard distribution used for modelling the completion times of particular activities.
beta factor	<p>The extent to which a value is influenced by external factors.</p> <p>The term is particularly use in relation to share values. Changes can be analysed into the alpha coefficient and the beta factor. The former relates to the company while the latter to the stock market generally. So if shares in XYZ increase by 10% and the beta coefficient is 1.02 (equal to 2%), the alpha factor equals 8%.</p>
beta phase	In website design, the stage where a website is made available for use by the public but is not yet regarded as having been fully tested.
beta risk	The risk of an error of omission .
beta share	Name once given to a share which had a full listing on a stock exchange but which was not traded sufficiently to qualify as an alpha share .
beta stocks	Second rank of shares on the London Stock Exchange after alpha stocks . This system is now replaced by Normal Market Size .
beta value	Measure of the movement of a particular share (or other security) as distinct from movements in the market as a whole.
Beth Din	A Jewish court held in London, presided over by the Chief Rabbi, which deals with alleged contraventions of Jewish law.
bet made for community benefit	Term used in Customs notice 147 to define a category of pool betting that is

not subject to **pool betting duty**.

betrothal

Formal state of engagement to be married.

Historically betrothal was a legal contract which required a divorce to be ended. The significance has varied widely according to place, time and religion.

Better Case Management (BCM)

Initiative designed to improve the management of criminal cases in courts.

better-of-two-assets option

An **exotic option** where the payment is on the better of two underlying securities.

betterment

Improvement, particularly in the value of land.

betterment levy

Charge on the improvement of land under Land Commission Act 1967 between 1967 and 1970.

Its provisions for capital gains tax are given in Taxation of Capital Gains Act 1992 s38 and Sch 11 from para 17. The matter is also discussed in the Inspectors' Manual at CG72651.

Some countries impose this tax more generally.

betting

Form of **gambling**. It is subject to its own tax.

The winnings of a non-professional gambler are not taxable income (*Graham v Green [1925] 9 TC 309*).

In that case, Rowlatt J said "I do not think you can find in his case any conception arising in which his individual operations can be said to be merged in the way that particular operations are merged in the conception of a trade... I do not think 'habitual' or even 'systematic' describes what is essential in the phrase 'trade, adventure, profession or vocation'".

The **Gambling Commission** identifies four types of betting:

- fixed odds betting
- pool betting
- acting as a betting intermediary
- spread betting.

The first three are licensed by the Commission, the fourth is regulated by the Financial Conduct Authority.

betting and gaming (B & G)

In tax, a general term for all the excise duties that relate to any gambling activity or to amusement machines.

betting duties

Excise duties charged on betting and gaming under various statutory provisions.

For Northern Ireland, the provisions are given in Finance Act 1986 s6.

betting house

Room set aside for the purposes of gambling.

betting intermediary

"A person who provides a service designed to facilitate the making or acceptance of bets between others" (Gambling Act 2005 s13).

Such a person neither places nor accepts bets on his or her own behalf,

but usually takes a commission fee from winners. A betting intermediary needs a licence from the Gambling Commission.

betting intermediary operating licence

Licence issued by Gambling Commission to someone who acts as a betting intermediary (Gambling Act 2005 s65(2)(e)).

betting levy

Charge made on bookmakers.

betting odds

How the winnings are calculated if successful in **betting**.

Traditionally odds are quoted as a fraction, such as 4-1. This means that if you stake £1 and win, you get your £1 stake refunded plus £4 winnings, less any tax. Sometimes the second number is not 1, as in 7-4 which is the same as $1\frac{3}{4}$ -1. A stake of £1 on a winning bet would mean the £1 refunded plus £1.75.

Evens means that the winnings equals the stake, so a £1 win would mean a refund of the £1 stake plus £1 winnings. An "odds on" bet means that the winnings are less than the stake. So a 4-1 odd on bet is the same as a 1-4 or $\frac{1}{4}$ -1 bet. A £1 stake would mean a refund of £1 plus just 25p winnings.

To convert betting odds to normal mathematical fractions, the odds are converted to a "to 1" figure, so 7-4 becomes $1\frac{3}{4}$ -1, and one is added. So 7-4 becomes $2\frac{3}{4}$.

If the reciprocals of these fractions add up to more than 1.0, it is possible to stake your money so that you always win. It rarely happens.

betting office

Premises licensed to receive bets from the general public.

betting shop

Place where members of the public may bet on future events, usually sporting ones.

betting tax

Any tax imposed on betting. In the UK, this comprises various **betting and gaming duties**.

beverages

"Liquids that are commonly consumed [and] characteristically taken to increase bodily liquid levels, to slake the thirst, to fortify or give pleasure." (HMRC guidance).

Manufactured beverages are standard-rated for VAT, but other beverages are zero-rated as food under Value Added Tax 1994 Sch 8 Group 1 Excepted Item 3.

Zero-rating extends to milk, tea, coffee, cocoa and malted drinks.

The exact scope is set out in VAT Notice 701/14.

Beveridge Report

Plan presented by Sir William Beveridge (1879-1963) in 1942 to reform the social security system. It was largely enacted by 1948. Elements of it remain in force today though with many adaptations.

Bevin boys

Colloquialism for young men ordered to work in coal mines during the war under the Emergency Powers (Defence) Act 1940. Ernest Bevin was the Minister of Labour and National Service.

beware Greeks bearing gifts	<p>Aphorism to beware of any unexpected and generous present; it may be a trick.</p> <p>This alludes to the gift of a large wooden horse (Trojan horse) which the ancient Greeks gave to the inhabitants of Troy which they had unsuccessfully besieged. Once inside the city walls, soldiers spilled out of the horse and took the city.</p>
beyond reasonable doubt	<p>Basis of proof in criminal proceedings, as opposed to balance of probabilities which is used in civil proceedings.</p>
beyond the seas	<p>Outside the UK. The term is used in Civil Evidence Acts 1968-72 in relation to calling witnesses.</p>
bezant	<p>Gold coin struck in various values by Byzantine emperors and in use until the reign of Edward III.</p>
Bezonian	<p>A recruit who lacks basic provisions.</p> <p>The term originally applied to Spanish soldiers who went to fight in Italian wars. Shakespeare used the word to mean a beggar.</p>
BF	Border Force.
bfa	British Franchising Association.
BFH	Bundesfinanzhof , German supreme court for taxation matters.
BFOC	Bona fide occupational condition.
BF officer	<p>Border Force officer, someone who works from the UK Border Agency at ports, airports and other frontiers.</p> <p>The officer's duties include making sure that goods declared for import or export are moving legally.</p> <p>[This term is used by the Agency, oblivious to the fact that BF more popularly denotes "bloody fool".]</p>
BFPO	British Forces Post Office.
b/fwd	Brought forward. Indication in bookkeeping of a sub-total taken from a previous page.
BG	Country prefix code for Bulgaria.
B&G	Betting and Gaming.
BGC	Bank giro credit.
BGDA	Betting and Gaming Duties Act 1981.
BGN	ISO code for Bulgarian lev.

BGP	Border Gateway Protocol, a computing protocol that backs the core routing decisions on the Internet.	
B2G VAT Returns Service	Government facility that allows the processing of bulk VAT Returns via an XML scheme direct from a trader's software accounting package into HMRC systems, via the Government Gateway .	
BHC	Bank holding company.	
BHD	ISO code for Bahrain dinar.	
BHP Billiton	Anglo-Australian mining company formed in 1860.	
BHRC	Butterworth's Human Rights Cases, a book of court cases that was first published in 1996.	
Bhutan	Eastern kingdom. Its currency is the ngultrum of 100 chetrum, though Indian currency is also widely used. The UK has no tax treaty.	
biannual	Twice a year, whereas biennial means every two years. Because these terms are often not properly understood, it is preferable to say twice-yearly or two-yearly.	
bias	<p><i>Accounting</i></p> <p>Influence that affects how accounts are presented. Examples include accounts adjusted to resist a takeover bid or to obtain finance.</p> <p>Statement of Principles sets out four requirements for accounting information. One of these is reliability. This in turn has five elements, one of which is that financial statements must be neutral. Any bias conflicts with that accounting requirement.</p> <p><i>Statistics</i></p> <p>A systematic error.</p> <p>Errors which arise from chance will tend to cancel each other out, but errors from bias will compound and lead to increasing inaccuracy.</p>	
biased estimator	In statistics, a formula or procedure which produces a biased estimate of a parameter of the parent population from sample data.	
BIC	Bank identifier code.	
bicarbonate of soda	Common name for sodium bicarbonate which is used as both a cleaning agent and as a raising agent for making bread and other food products.	<p>In the case <i>Phoenix Foods Ltd [2018] TC 6296</i>, it was held that the product could be zero-rated when sold for culinary purposes.</p>
Bichard Enquiry	Enquiry by Sir Michael Bichard in 2004 into the murders of two schoolgirls in Soham in 2002.	<p>One of the outcomes was the Protection of Vulnerable Groups Scheme</p>

	in Scotland for which there are special tax provisions.
bicameral	Having two chambers, such as in the British Parliament.
bicentenary	Two hundredth anniversary.
bicentennial	Pertaining to 200 years.
bicycle	<p>Two-wheeled vehicle which is propelled by the rider's own power.</p> <p>As it has no motor, it may legally be used on roads without any licence, insurance, MOT or road tax. It may be ridden at any age. It is not subject to Vehicle Excise Duty. There are a few roads, such as motorways where it may not be used.</p> <p>There are several special tax provisions for bicycles.</p> <p>From 6 April 1999, provisions of cycles and equipment is not a taxable benefit in kind (Income Tax (Earnings And Pensions) Act 2003 s244).</p> <p>This includes provision of workplace facilities for cyclists, such as showers and (until 5 April 2013) cyclists' breakfasts are excluded as a taxable benefit.</p> <p>An employee who uses his bicycle on his employer's behalf is entitled to a tax-free allowance per mile.</p>
bicycle tax	Tax imposed by some countries, usually as an annual fee.
BID	Business improvement district.
bid	Either an offer to buy shares (or indeed, anything else) or the highest price at which a person is prepared to pay for them. The term is also used for a takeover bid .
bid ale	18th century term for a charitable gathering to drink beer and raise money for charity.
bid and asked	Highest price a dealer has stated he is prepared to pay for a security at a particular time. The asked price is the lowest that anyone will accept at the same time.
bid basis	Pricing policy of unit trusts where the bid price is reduced to encourage sales.
bid cost	<p>Cost of bidding, particularly for a construction contract.</p> <p>For accounting purposes, such costs are treated as a cost of the contract if the bid is successful. They are written off in the profit and loss account if the bid is unsuccessful.</p>
bid defence costs	<p>Costs incurred by a company in resisting a take-over bid.</p> <p>Their tax treatment is discussed in the Inspectors' Manual at BIM38285.</p>
bidder	Someone who is bidding, as in an auction . In financial terms, the word usually means someone attempting to take over a target company in a takeover bid .

bidding	(1) Offering to buy, such as at an auction or in share dealing. (2) Requirements of obedience from a person, as in "doing his bidding".
bidding agreement	Arrangement between two or more people whereby one person agreed to bid or not to bid at an auction in consideration for money, gift or other consideration. Such an arrangement is a criminal offence under Auctions (Bidding Agreements) Act 1927 s1. There is a limited exception for dealers .
bid filing	Arrangement once commonly used whereby a central agency would make known to bidders how much they had all bid after a contract had been issued.
BID levy	Charge made by local authority on business improvement districts under Local Government Act 2003 s45.
bid market	Market where there are more bids to buy than offers to sell.
bid offer	Shares, units in unit trusts and other investment vehicles are bought at one price and sold at another. The higher price is called the 'offer price' since this is the price at which the unit trust company or other institution offers the security for sale. The lower price is called the 'bid price' and is the price at which the investor can sell the security back to the institution in question.
bid-offer spread	<p>The difference between the bid price and offer price for a security. This spread must be quoted by market makers. The bid price is the price at which the security will be bought; the offer price at which it will be sold.</p> <p>The bid-offer spread is determined by the underlying price of the security, its sector; its liquidity; any likely takeover and any other factor which the market maker considers relevant.</p> <p>There is a limit to the spread set out in Financial Services Act 1986.</p>
bid price	Price at which a market maker or broker is prepared to buy shares or other securities.
bid rate	Rate of interest offered on deposits.
bid rigging	Process of dishonestly manipulating the process of receiving tenders for work so as to achieve a desired result regardless of what the tenderers offer.
bid valuation	Where unit trust managers value bids and offers according to the actual sale cost of the holdings within the fund.
biennial	Every two years, whereas biannual means twice a year. Because these terms are often not properly understood, it is preferable to say two-yearly or twice-yearly.
biennial bond	Bond in which the first coupon payment is made after two years.
BIF	ISO code for Burundi franc.

BIFEX	Baltic International Freight Futures Exchange.
BIFM	British Institute of Facilities Management.
bi-fuel	In relation to capital allowances for cars, "means capable of being propelled by — (a) petrol and road fuel gas, or (b) diesel and road fuel gas" (Capital Allowances Act 2001 s268C(4)).
bifurcation	Divesting part of a business to improve the strategic focus of what is left.
bigamy	Criminal offence of undergoing a marriage ceremony when already married.
Big Apple	Colloquial name for New York.
Big Bang	Radical change in the way the London Stock Exchange operates which took effect on 27 October 1986. The main changes were: <ul style="list-style-type: none">• screen-based computer trading largely replaced floor trading;• rules on owning stockbroker firms were relaxed, with the result that many were bought by banks;• stockjobbers were replaced by market makers who performed a similar but no identical role. These reforms were followed by Big Bang 2 in 1997. The term comes from a theory postulated in 1950 as to how the universe was created. From this, the term came to mean any change which is introduced suddenly in one go and which is not phased in.
Big Bang 2	Change in the way the London Stock Exchange operated, which took effect on 20 October 1997. The main changes were: <ul style="list-style-type: none">• moving from a quote-driven system of trading to an order-driven system;• introducing the electronic order book known as SETS which cut out the middleman, replacing market makers with retail service providers.
Big Blind	In gambling, term used in flop games where two bets are usually posted before any cards are dealt. The small blind by the player to the left of the dealer and the big blind (double the small blind) by the player to the left of the small blind.
Big Blue	Colloquialism for the company IBM.
Big Board	Large display board in the New York Stock Exchange.
big figure	Colloquialism for the practice of dealers only to quote the whole number in a security price, omitting anything after a decimal point. So the big figure for 210.72 is 210.

Big Five	The five largest accounting practices which dominated the profession until 2001 when Andersens disappeared in the wake of the Enron scandal, since when they have been known as the Big Four .
Big Four	(1) The four largest accounting practices which have dominated the profession since 2001, namely: PriceWaterhouse Coopers, Deloitte and Touche, KPMG and Ernst & Young. (2) The four largest British banks, namely Barclays, Lloyds TSB, HBOS (Halifax and Bank of Scotland) and Natwest (owned by Royal Bank of Scotland). (3) The four largest Japanese security houses: Daiwa, Nikko, Nomura and Yamaichi.
big hat, no cattle	Perjorative term for the human resources function when it is supposedly taken seriously in an organisation but in reality plays no significant role in its decision-making. The term was coined in the USA during the 1980s.
Big Isaac Lewis	Personification of the pre-war coal industry. This fictitious character could drill with his nose, cut coal with his teeth and hold up the roof of a seam with one hand.
Big Lottery Fund	Body corporate established by National Lottery Act 1993 s36A. It distributes funds raised from the National Lottery to communities across the UK. Projects may apply online to the Fund.
Big Mac index	Simple index produced by <i>The Economist</i> magazine on how much a Big Mac burger costs round the world. It is used as a means of identifying which currencies may be overvalued or undervalued. The index was introduced in a humorous article in 1986 by Pam Woodall and has been published annually since.
big one	Colloquialism for a large round sum, such as £100, £1,000 or \$1,000.
big science	Scientific research which requires large amounts of funding.
Big Six	Name given to the six largest accounting firms in the 1980s, namely: Arthur Andersen, Coopers & Lybrand, Deloitte & Touche, Ernst & Young, KPMG and Price Waterhouse. The number is now four, following the merger of Coopers with Price Waterhouse, and the demise of Arthur Andersen.
big six	This game is specifically listed in Betting and Gaming Duties Act 1981 s13(3) as coming within the scope of gaming licence duty .
Big Society	Flagship policy of Conservative party in 2010 General Election which has been adopted by the subsequent coalition government. Its aim is "to create a climate that empowers local people and communities, building a big society that will 'take power away from politicians and give it to people'" (Government press release 18 May 2010).

big tent	<p>Management style which involves meetings with many people attending.</p> <p>This style has the advantages of making everyone feel involved, reducing dissent and allowing for input from those further down the organisation.</p> <p>It has the disadvantages of consuming staff time and extending meetings.</p>
bilateral	<p>Between two parties, particularly two countries.</p>
bilateral bank facility	<p>Facility provided by a bank to a company which is its customer based on a successful relationship working together.</p>
bilateral clearing	<p>Form of settlement between some combinations of two countries as arranged by the central banks.</p>
bilateral credit	<p>Credit that banks allow each other while cheques are being cleared.</p>
bilateral discharge	<p>Ending of a contract by agreement when neither party has performed their obligations.</p>
bilateral duopoly	<p>Economic term for when there are only two suppliers and two customers.</p>
bilateral monopoly	<p>Economic term for when there is one supplier and one customer.</p>
bilateral netting	<p>An agreement between two parties that transactions between them will be netted off and settled by a single payment. Such arrangements may be made between two businesses or between a business and its bank.</p>
bilateral oligopoly	<p>Economic term for when there are just a few suppliers and a few customers.</p>
bilateral trade	<p>Trade between two countries where each buys from and sells to the other.</p>
bilk	<p>Cheat, particularly in taking goods without payment.</p> <p>The term comes from the card game cribbage where it meant to spoil your opponent's score.</p>
Bill	<p>Draft of an Act of Parliament.</p>
bill	<p>Written document, particularly a formal one. The word originally meant a document served under seal.</p> <p>Today, the word on its own usually means an invoice or other document which details sums the recipient is expected to pay. This may be an unpaid invoice or charges which otherwise, such as for damage done.</p> <p>The term is also used almost colloquially to denote the charges which a person has agreed to pay but whose exact value is not known at the time, such as a telephone bill or restaurant bill.</p> <p>Other uses of the word are as an abbreviation for a specific type of bill, such as bill of exchange or bill of lading, depending on the context.</p>

billbook	Book which was once used to record all bills accepted and received in the course of trade.
bill broker	A discount house which buys and sells bills of exchange for a fee.
bill-chamber	Department of the Scottish Court of Sessions.
billet	Temporary accommodation for soldiers or people displaced by war, or a piece of paper giving details of such accommodation. Tax relief was granted for the <i>additional</i> cost of travel to work by billeted workers.
billeting allowance	Payment from the government to billetors of children during the second world war. The amount was initially fixed at 8s 6d (42½p) a week.
billeting officer	Official given the task of finding billets for evacuees during the war.
billetor	Person who offers a billet to an otherwise homeless person during war.
bill-fold	American term for a clip or other means of holding bank notes on one's person.
billiards	A billiards player may retire on a personal pension below the age of 50, provided: <ul style="list-style-type: none">• the person had the right by 5 April 2006,• the right was unqualified in that it needed no other person to consent,• the right was set out in the governing documentation of the pension scheme by 10 December 2003. (SI 2005 No 3451, as explained in the Inspector's Manual at RPSM 03106035).
bill in a set	Bill of exchange issued in a numbered set of bills. The whole set is regarded as one bill (Bills of Exchange Act 1882 s71).
billing	Process of producing invoices.
billing authority	The local authority, which collects the council tax . It may do so on behalf of itself and other authorities. Those other authorities serve a precept on the billing authority.
billing cycle	In commerce, the period between supplying goods and issuing invoices for the supply.
billing limit	An individual has the right to set a billing limit for a mobile phone under Communications Act 2003 s124S as inserted by Digital Economy Act 2017 s102.
billing test	One of 12 tests included in HMRC guidance published early in 2012 on whether an individual comes within the scope of IR35 .

billion (bn)	<p>This now means one thousand million, which can be expressed as 1000^3 or 10^9, or 1,000,000,000. This comprises 1 followed by nine noughts.</p> <p>In the UK it originally meant one million million or 10^{12} — a thousand times greater than the current meaning. The new meaning of billion was conveyed by the word milliard.</p> <p>This change of meaning can cause problems if looking at old documents which refer to billions.</p>
bill leak	<p>Device used by US banks to get round Bank of England restrictions between 1973 and 1980. It circumvented restrictions on bank dealing by lending outside the banking system.</p>
bill mountain	<p>Colloquialism for bills that have been discounted and are held at the Bank of England.</p>
bill of adventure	<p>Written statement by a merchant stating that goods shipped in his name belong to another.</p>
bill of advocacy	<p>In Scots law, “the original function was to remove a criminal case from an inferior court to a superior court on account of partiality or incapacity of the judge or intricacy of the case. It is now also a means of review for errors by an inferior judge during a criminal case up to sentence. It is available to either the prosecutor or the accused; and now extends to criminal trials in solemn proceedings in the High Court but only on the application of the prosecutor. It is the means by which a prosecutor seeks to have the High Court review an error in a court of summary jurisdiction.” (Judiciary of Scotland website glossary).</p>
bill of attainder	<p>Writ issued between 1549 and 1798 to destroy an enemy of the state where Parliament acted as judge and jury. The term has also had other meanings, such as a bill making an accusation against a peer.</p>
bill of adventure	<p>Written statement by a merchant stating that goods shipped in his name belong to another.</p>
bill of costs	<p>Statement of account of charges made, particularly made by a solicitor to a client.</p>
bill of discharge	<p>For Customs duties, from 1 May 2016, a document that a trader is required to submit for the discharge of inward processing or end use relief.</p>
bill of entry	<p>Account deposited at a Customs house of goods imported or exported.</p>
bill of exceptions	<p>Statement of the objections of a litigant to the decision of a judge. This procedure was abolished in 1852 in favour of simply asking for a new trial.</p>
bill of exchange	<p>“An unconditional order in writing, addressed by one person to another, signed by the person giving it, requiring the person to whom it is addressed to pay on demand or at a fixed or determinable future time a sum certain in money to or to the order of a specified person, or to bearer” (Bills of Exchange</p>

Act 1882 s3).

A **cheque** is a specific form of bill of exchange. Other bills of exchange are now rare as other means of payment have proved more convenient and reliable.

bill of health

Document once signed by port authorities to certify that there was no infection on board. This was also known as a **clean bill of health**, which expression has become a metaphor.

bill of indictment

Legal procedure before 1933 which accused a person of a crime, which accusation was tried for a possible indictment.

bill of lading

A list of goods to be carried by a ship on a single journey. It is widely used for **Customs** purposes.

bill of pains and penalties

Writ served by Parliament imposing a punishment on someone. The last such bill was issued against Queen Caroline, wife of George IV, but was dropped in 1820.

bill of particulars

Statement of writing of what a claimant is seeking in a legal action.

bill of peace

Bill which could once be filed in the Chancery division of the High Court to restrain proceedings between litigants.

Bill of Rights

(1) Act of Parliament in 1689 which asserts the rights of Parliament against the monarch.

(2) In USA, the first ten amendments to the Constitution, made in 1791.

bill of sale

Document which a seller gives to the buyer to show that a sale has taken place.

Bills of Sale Act 1878 extends the scope of the Act to many more documents.

A bill of sale cannot be registered unless stamped (Stamp Act 1891 s41).

bill of sight

Entry once made by an importer of goods who is unable to make a proper Customs declaration immediately.

bill of store

Old form of licence issued by Customs which allowed British goods to be reimported.

bill of suspension

In Scots law, "This is an application by the person affected to the High Court of Justiciary from a court of summary jurisdiction (a sheriff sitting alone, a stipendiary magistrate or a Justice of the Peace Court) seeking to review and set aside an illegal or improper warrant, conviction or decision. Such an application by a prosecutor is by bill of advocacy. Where it is sought to appeal against conviction on a question of fact or law the usual method of appeal is by application to the court of summary jurisdiction for a stated case" (Judiciary of Scotland website glossary).

bill of victualling	List of necessary stores drawn from a bonded warehouse .
billon	Alloy where the silver content is below 50%. The other metal is usually copper. This alloy was used for the posthumous groats of Henry VII. When first minted, the coins look a paler form of silver. Through wear, the copper becomes more predominant.
BillPay	Method of making Internet payments using a debit card or credit card. The method was developed by Alliance & Leicester Commercial Bank, now part of Santander. This method may be used to pay tax to HMRC. A charge is made for payment by credit card, but not for a debit card.
bill payable	Promissory note or bill of exchange payable.
bill rate	Rate at which bills of exchange are discounted in the market.
bill receivable	Promissory note or bill of exchange receivable.
Billy Graham rule	A man will not be alone with a woman other than his wife. This rule was introduced by the US evangelist Billy Graham (1918-2018) to avoid allegations of sex scandals. In human resources terms, such a rule creates another problem of possible sex discrimination in treating women less well than men for whom the rule does not apply.
BIM	HMRC Inspector's Manual for Business Income.
BIMBO	Buy-in management buy-out . A form of management buy-out which uses venture capitalists who exercise a degree of control.
bimestrial	Lasting for two months.
bimetallic	Being made of two metals, such as the British two-pound coin and (from 2017) one pound coin.
bimetallism	Practice of valuing coinage according to its value in either gold or silver, where their relative values were fixed.
bimillenary	Lasting for 2000 years.
bimodal	In statistics, a description of a distribution which has two modes.
BIN	Bank identification number.
bin	Receptacle for storing items, such as items in a store or material to be discarded.
binary	In mathematics and computing, to the base 2. Normal numbering means to the base 10. So the number 147 means $(1 \times 10^2) + (4 \times 10^1) + 7$.

Binary notation only uses two digits 0 and 1, so numbers are represented as powers of 2, namely 1, 2, 4, 8, 16, 32, 64, 128 etc.

This means that 147 is represented in binary as 10010011 (which is $128 + 16 + 2 + 1$).

Binary notation is the basis of computing and modern telecommunications. The 1 and 0 can be represented by an electronic circuit being on or off.

A binary digit is known as a **bit**. Eight bits make a **byte** which corresponds to a character such as a letter or number. Computers refer to data as multiples of bytes, such as a megabyte which is one million bytes.

In practice, the process is simplified by using **hexadecimal notation** to the base of 16, so one character can be used for four bits.

binary notation	Form of representing numbers in binary form, that is to the base 2 instead of the usual base 10.
binary option	Option which pays either a fixed amount or nothing.
binary prefix	Alternative series of prefixes used to define storage capacity for computer data. The prefix replaces the second syllable of the ordinary decimal prefix with the letters "bi", so kilobyte which means 1000 bytes becomes a kibibyte which is 2^{10} bytes, which is 1024 bytes.
binary scale	Another term for binary notation .
bin card	Stock record card held in a stores or warehouse which records receipts, issues and stockholding of an item of stock. They have now largely been replaced by computerised records.
bind	To tie, either physically (as with string) or metaphorically (as in making an agreement from which neither party may withdraw).
binder	(1) Temporary insurance agreement issued while the permanent agreement is prepared. (2) Folder for holding documents. For VAT, a binder is generally zero-rated if sold with printed material and otherwise standard-rated (VAT notice 701/10).
binding information	Statement from HMRC on the rate of customs duty payable. Provided the request was made honestly and properly, the statement is binding on HMRC for four years.
binding in honour only	Words on an agreement which create an honour clause . This means that the agreement is not a contract that binds the parties.
binding precedent	Decision of the court which must be followed in a later court case if the facts are the same. This decision must be stated in the ratio decidendi of the court, and not in its obiter dicta . A litigant may argue that a precedent should not be followed in a particular case if it can be distinguished . Otherwise a binding precedent can

only be overturned by a decision of a higher court or by legislation.

Binding Tariff Information (BTI)

System for implementing the Common Customs Tariff. The information is issued to economic operators by the customs authorities of the European Union (EU) Member States. Thus, traders will know, in advance, the tariff classification of the goods they intend to import or export. This information is introduced into a data-base run by the European Commission (EC) and is legally valid in all Member States, regardless of the Member State which issued it.

bingo

Popular gambling game where cards are issued with a selection of (usually) two-digit numbers which are then called out at random. The first person to have all their numbers called is the winner.

For licensing, bingo, "means any version of that game, irrespective of by what name it is described" (Gambling Act 2005 s353). It is the only form of gambling that does not have a statutory definition.

The Gambling Commission follows a definition given in a Royal Commission Report of 1978:

'Bingo is a lottery played as a game. Each player receives for his stake a set of numbers which he has not chosen. These are marked off against numbers selected at random and announced by a caller, and the winner is the person who can first substantiate a claim to have marked off all those, or a particular section of those, in the set he has been given.'

The Commission considers there are three essential conditions for bingo:

- it must be played as an equal chance game
- it must involve a degree of participation
- a game must have a clearly defined end point.

A game that does not meet these conditions, is classed as casino gaming.

The game is subject to **bingo duty**.

bingo duty

Duty which, from 27 October 2003, is charged at 15% of a bingo operator's profits. Previously the duty was a lower percentage of profits plus a share of amounts staked. Small operators may be exempt.

The law is contained in Betting and Gaming Duties Act 1981 as amended, Finance Act 2003 s9, and Bingo Regulations SI 1988 No 333, all as amended.

bingo operating licence

Licence issued by Gambling Commission to someone who provides facilities for playing bingo (Gambling Act 2005 s65(2)(b)).

bingo promoter

Person who promotes the playing of bingo and who is liable to pay bingo duty.

bin number

Location of an item of business's stock.

Checking the stock against bin numbers is often an integral part of **stocktaking**.

BINO	Brexit in name only. The term was coined in 2017 in respect of “soft Brexit” options which involve remaining in the single market and customs union, and accepting other EU rules.
binomial	<p>When a value has two states, such as on/off or good/bad. This allows calculations to be made for all combinations of states.</p> <p>When certain conditions are met, it is possible to use the simpler normal distribution instead.</p>
binomial coefficient	<p>Coefficients of the terms in the expansion of $(x + y)^n$ for positive integers of n.</p> <p>Binomial coefficients may be plotted in Pascal's triangle.</p>
binomial distribution	Distribution of the probabilities where n independent Bernoulli trials are carried out.
binomial process	Process consisting of several stages, at each of which there are two choices. In finance, models are used of binomial processes as a means of valuing securities.
bin tax	Charge made for amount of non-recyclable material produced by a person or business. Such a charge was to be experimentally trialled from 2009, but the plans were dropped in 2008.
bioblend	<p>“Means any mixture that is produced by mixing —</p> <ul style="list-style-type: none">(a) biodiesel, and(b) heavy oil not charged with the excise duty on hydrocarbon oil” (Hydrocarbon Oil Duties Act 1979 s6AB(2)). <p>The blending may only be done in a tax warehouse using non-duty paid ordinary diesel.</p> <p>Bioblend commonly comprises 5% biodiesel and 95% ordinary diesel.</p> <p>Duty paid bioblend may be mixed with duty-paid ordinary diesel (Hydrocarbon Oil Duties Act 1979 s6AB(2)(b)).</p>
biobutanol	An alcohol which is obtained by the fermentation of biomass. It attracts a lower rate of hydrocarbon oil duty.
biodata	In human resources, pieces of information about an individual such as years of experience and positions of responsibility. These can be scored, and used as a means of reducing a pool of applicants to a manageable number.
biodegradable	Capable of being broken down to harmless substances, such as when plastic degrades by bacteria which may be found in soil.
biodegradable municipal waste	“Waste that is both biodegradable waste and municipal waste ” (Waste and Emissions Trading Act 2003 s21(2)).
biodegradable waste	“Any waste that is capable of undergoing anaerobic or aerobic decomposition such as food and garden waste, and paper and paperboard” (Waste and

Emissions Trading Act 2003 s21(1)).

biodiesel

Equivalent to diesel oil which is produced from either biomass or waste cooking oil. It qualifies for a reduced rate of hydrocarbon oil duty provided it:

- can be used as a substitute for diesel;
- has an ester content of at least 96.5% by weight; and
- has a sulphur content of 0.005% or less by weight.

(Hydrocarbon Oil Duties Act 1979 s2AA).

Biodiesel may be produced in quantities of less than 2,500 litres by exempt producers who do not have to register their premises or pay duty.

bioethanol

“Means a liquid fuel—

- (a) that is produced from biomass or waste cooking oil,
- (b) the ester content of which is not less than 96.5% by weight, and
- (c) the sulphur content of which does not exceed 0.005% by weight

or is nil” (Hydrocarbon Oil Duties Act 1979 s21B(1)).

Ethanol (ethyl alcohol) can be created from most common crops. It is increasingly being used as a renewable form of road fuel.

It may only be produced in a tax warehouse.

Further details are given in Customs Notice 179E.

(The word is sometimes given as bio-ethanol.)

bioethanol blend

“Means any mixture that is produced by mixing —

- (a) **bioethanol**, and
- (b) hydrocarbon oil not charged with excise duty” (Hydrocarbon Oil

Duties Act 1979 s6AE(2)(b)).

A common mix is 5% bioethanol to 95% petrol.

biofuel

Oil made from crops that is used as road fuel.

“Means biodiesel, bioethanoal, bioblend or bioethanol blend”

(Hydrocarbon Oil Duties (Marine Voyages Reliefs) Regulations SI 1996 No 2536 reg 2).

biological asset

“A living animal or plant” (FRS 102 glossary). An identical definition appears in International Accounting Standard IAS 41 para 5.

biological transformation

“The processes of growth, degeneration, production and procreation that cause qualitative or quantitative changes in a **biological asset**” (IAS 41 para 5).

biomass

“Means vegetable and animal substances constituting the biodegradable fraction of —

(a) products, wastes and residues from agriculture, forestry and related activities, or

(b) industrial and municipal waste”.

(Hydrocarbon Oil Duties Act 1979 s2AA(2)(c) and s2AB(2)(b)).

biometric data

“Means personal data resulting from specific technical processing relating to the physical, physiological or behavioural characteristics of an individual, which allows or confirms the unique identification of that individual, such as

facial images or dactyloscopic data" (Data Protection Act 2018 s205(1)).

biometric immigration document

Document which may be used in connection with people entering the UK (UK Borders Act 2007 s5).

biometric information

"In relation to an individual means data about his external characteristic, including, in particular, the features of an iris or of any part of the eye" (Identity Cards Act 2006 s42(1)).

biometric residence permit (BRP)

Permit provided by the UK government to those who apply to settle in the UK or to stay for more than six months. It is issued automatically as part of the visa or immigration application process. It contains personal information, including biometric information of a face photograph and fingerprint. From August 2018, a permit includes the person's national insurance number.

biometry

Study of biological data by means of statistical analysis.

BIOS

Basic Input/Output System.

This is the software built into the computer which controls the keyboard, monitor, disk drives, communications ports, and other functions. It works independently from the computer's **operating system**.

BIOT

British Indian Ocean Territory.

Biotechnology and Biological Sciences Research Council

Committee of United Kingdom Research and Innovation (Higher Education and Research Act 2017 s92(1)).

BIP

Border Inspection Post, a control point at the place of importation into the European Union (EU) where Products of Animal Origin (POAO) and live animals are subject to veterinary checks.

BIPRU

Prudential Source Book for Banks, Building Societies and Investment Firms.

BIPRU 730 firm

In relation to banks, a business so defined by the Financial Conduct Authority Handbook. The term is referred to in Corporation Tax Act 2009 s133F(5) as inserted by Finance (No 2) Act 2015 s18.

biquadratic

In mathematics, number which is squared twice, that is raised to the power of 4.

biquadratic equation

In mathematics, an equation where one of the numbers is raised to the power of 4.

biquadratic root

In mathematics, the fourth root of a number. This is the number which, when multiplied by itself four times, gives the other number. The quadratic root of 16 is 2, as four 2s multiplied together gives 16.

bird	For VAT, birds are standard-rated unless sold as food, such as certain species of fowl. Bird food is standard-rated unless sold for poultry or game birds (VAT notice 701/15).
bird dog	Colloquialism for a person who directs an operation. The term originally referred to a person in a military aeroplane who directed bombing. [This term has acquired other slang meanings.]
bird food	<p>For VAT, this is generally standard-rated as it is excepted from the scope of zero-rated food by Value Added Tax 1994 Sch 8 Group 1 Excepted Item 6.</p> <p>The exact scope of the standard rating is “packaged foods... for birds other than poultry and game” (ibid).</p> <p>Food for poultry and game is zero-rated under Group 1.</p> <p>Further guidance is given in VAT leaflet 701/15.</p>
bird net	Net containing peanuts or similar, hung up to feed wild birds. They are standard-rated (VAT notice 701/15).
bird of prey	Endangered animal. The importation of the animal or its products is generally prohibited under CITES convention .
BiRiLiG	The 1985 German law on accounting directives. It is an abbreviation for “Bilanzrichtliniengesetz”.
Biro	<p>Tradename for a ballpoint pen.</p> <p>The word comes from its Hungarian inventor László Biró (1899-1985). Although often used as a generic name for ballpoint pens, it should be remembered that this is a trade name.</p>
birr	<p>Currency of Ethiopia.</p> <p>Gold coins for 400 or 600 birr may be regarded as gold investment coins for VAT purposes (VAT notice 701/12A).</p>
birth	<p>Date on which a person is born. A birth must be registered within 36 hours.</p> <p>For all legal purposes, birth is a date and not a time. So a person born one minute after midnight on 1 January and a person born nearly 24 hours later at one minute to midnight, both have a birthday of 1 January, and both are regarded as having reached the same age when 1 January arrives.</p> <p>In employment, birth is also relevant for the purposes of statutory maternity pay (SMP). A distinction is made between expected birth and actual birth. Expected birth is when the doctor or midwife expects the baby to be born, and actual birth is when the baby is born.</p>
birth certificate	Certificate confirming the details of birth of a child.
birthday	<p>Day when a person was born, and the anniversaries of that date.</p> <p>For legal purposes, a person's birthday starts immediately after midnight on the day, regardless of when in the day a person was born.</p>

birth name Name by which a person was known at birth, particularly the maiden name of a married woman. The word is sometimes seen as a manifestation of political correctness.

birth rate The number of live births per 1000 of the population. The birth rate is also often called the 'crude birth rate'.

birth sex Whether a person is born male or female.
A person retains that sex for life until they have a **gender reassignment**, which is now recognised for all legal purposes, including for tax.

BIS **(1) Department for Business, Innovation and Skills.**
(2) Bank for International Settlements.

biscuit For VAT, biscuits are generally zero-rated as food under Value Added Tax 1994 Sch 8 Group 1 Excepted Item 2.

Chocolate biscuits are standard-rated (VAT notice 701/14).

Biscuits for cats and dogs are standard-rated (VAT notice 701/15).

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One of the salient characteristics of a biscuit is that it is eaten in the hand, and in the case of a sweet biscuit, it is eaten on its own. <i>Marcantonia Foods Ltd. VTD 15486 [1997]</i>

biscuit tin For VAT, this is almost always regarded as part of the supply of the biscuits.
This was the ruling in *C&E v United Biscuits (UK) Ltd. CS. [1992] STC 325* where the cost of the tin was 55% of the cost of the biscuits and tin together. It was held that the tin was incidental to the biscuits, and not the biscuit to the tin. It was not relevant that customers would probably keep and re-use the aluminium tin.

This decision was followed for biscuits supplied in a ceramic jar that represented 70% of the cost. *Paterson Arran Ltd. [1996] VTD 15041.*

bis dat qui cito dat Latin: he gives twice who gives promptly. (Proverb by Bacon)

biserial In statistics, the relationship between two variables which have one variable that takes only two values.

BIS licence Licence issued by the Department for Business, Innovation and Skills for the import of a limited range of goods, mostly military in nature.

bissextile Referring to a **leap year**.

BIT **Business Impact Target.**

bit In computing, a **binary** digit. This is the basic unit of all computing and telecommunications.

1000 bits are called a **byte**. This is then multiplied up by various factors, so a thousand bytes are a kilobyte, a million are a megabyte, and so on.

bitcoin	<p>Form of anonymous electronic currency developed for person-to-person transactions on the Internet. The currency was created by Satoshi Nakamoto and first became available on 3 January 2009.</p> <p>The currency is downloaded to a wallet file. From there it may be anonymously and irrevocably sent to another website. The currency is untraceable. In this, it mirrors ordinary cash in the form of bank notes and coins.</p> <p>Bitcoins are used for legitimate transactions where anonymity and irrevocability are required, and also for illegal transactions on the black web.</p>
bit-length	Length of a bit , that is the size of a number as expressed in binary notation .
bit rate	Speed at which a computer transmits bits , in other words, the speed at which the computer works. This is expressed as "bits per second" abbreviated to bps.
bivariate	<p>In mathematics, based on two variables, such as in the formula:</p> $x + y = 12.$
bivariate distribution	<p>In statistics, a distribution of two random variables plotted on a table as to frequency.</p> <p>From this various statistical methods can be used, such as scatter diagram or correlation coefficient.</p>
biweekly	Imprecise term which means either twice a week or every two weeks. To avoid confusion, it is better to say twice-weekly or fortnightly.
biweekly mortgage loan	Mortgage in which a person pays half a month's mortgage payment every two weeks. This results in two extra payments (26 fortnights as against 24 half-months) which is equivalent to an 8.3% premium.
bizone	Currency or other property used in two zones, particularly the common currency used in the British and American zones of Germany after 1945.
BKLM	Prefix for HMRC's tax manual on bank levy.
BKM	Prefix for sections of HMRC's banking manual published on 19 July 2017.
B/L	Bill of Lading.
Blackacre	Fictitious piece of land widely used in legal texts. Its existence is similar to the widget .
black beer	"Means beer of the description called or similar to black beer, mum, spruce beer or Berlin white beer, and any other preparation (whether fermented or not) of a similar character (Alcoholic Liquor Duties Act 1979 s4(1)). Black beer is exempt from alcoholic liquor duty.
black book	In investment, any pre-planned defence to a takeover bid .

black box	<p>In tax, an arrangement that is legal but has no commercial function other than the avoidance of tax.</p> <p>The term appears to have been first used by the CBI in 2012.</p>
black box syndrome	<p>In organisational mathematics, the general problems that arise when using complex statistical and mathematical models for valuation. An example is determining the consequences of a situation on a set of interrelated positions.</p>
Black Country	<p>Loosely defined area of English West Midlands, including Birmingham and (sometimes) Wolverhampton and Dudley.</p> <p>The term comes from its extensive coal mining from 1840.</p>
black economy	<p>That part of a nation's trade which is unofficial. It is usually also illegal as it is not declared for tax.</p>
black dog	<p>Old name for a counterfeit shilling.</p>
black economy	<p>That part of a nation's trade which is unofficial. It is usually also illegal as it is not declared for tax.</p>
black fish	<p>Black economy for fish caught in excess of allowed quotas.</p>
Black Friday	<p>Various dates where bad things happened, particularly:</p> <ol style="list-style-type: none">(1) 11 May 1866, when the bank Overend, Guerney & Co suspended payments and caused a financial panic.(2) 24 September 1869, when the government released gold into the open market to bring down the price, and ruined many speculators.(3) 15 April 1921, for the trade unions when the General Strike was cancelled. <p>The term was also once used to mean Good Friday.</p>
black hog	<p>Irish shilling minted between 1701 and 1825 which was worth 13 pence, as against the English and Scottish shillings worth 12 pence.</p>
black hole	<p>Discovered shortage of funds, such as in a bank account or pension fund.</p> <p>The term has two literal meanings. The first is a punishment cell in Calcutta where 123 of 146 British prisoners died of suffocation. The second is a field in outer space with such a strong gravitational pull that even light cannot escape.</p> <p>The term has also been used for a non-unionised workplace.</p>
blacking	<p>Secondary industrial action in which a trade union not involved in a dispute refuses to handle items as a means of supporting a trade union that is involved in a dispute. An example is postal workers refusing to deliver mail. Such practices, once common, are now generally illegal.</p>
blackjack	<p>This game is specifically listed in Betting and Gaming Duties Act 1981 s13(3) as coming within the scope of gaming licence duty.</p>
black knight	<p>Person or organisation that makes an unwelcome takeover bid.</p>

blackleg	<p>Someone who continues working when the trade union has called a strike or other industrial action. Also known as a scab.</p> <p>The origin of the term is unknown, though it is believed to be first used in the USA in the 1930s.</p> <p>The term has subsequently been used to describe anyone who exercises a private decision in a way which breaks a collective front.</p>
black list	<p>List of people, organisations or products that are banned or restricted in some way. Many types of black list are now illegal.</p>
blackmail	<p>Criminal offence committed "if, with a view to gain for himself or another or with intent to cause loss to another, he makes any unwarranted demand with menaces; and for this purpose a demand with menaces is unwarranted unless the person making it does so in the belief —</p> <ul style="list-style-type: none">(a) that he has reasonable grounds for making the demand; and(b) that the use of menaces is a proper means of reinforcing the demand" <p>(Theft Act 1968 s21).</p> <p>The equivalent offence in Scotland is called extortion.</p> <p>From 30 November 1993, payment of blackmail is a criminal payment and therefore not allowed as a tax deduction under Corporation Tax Act 2009 s1304. This disallowance applies even where there is no criminal intent by the payer.</p> <p>The matter is discussed in the Inspectors' Manual at BIM 43160.</p>
black market	<p>Trading in prohibited goods, or trading in a prohibited manner (such as buying goods in excess of one's ration during a war).</p>
Black Monday	<p>Various dates that fell on a Monday where bad things happened. The term has been used for:</p> <ul style="list-style-type: none">(1) 8 February 1886, when a protest against unemployment led to riots in Pall Mall, London.(2) 10 December 1894, when both banks of Newfoundland ceased business, making the currency worthless.(3) 28 October 1929, one of the worst days of the Wall Street Crash(4) 19 October 1987, very large falls in stock markets round the world.(5) 21 January 2008, the largest fall in stock market prices since 2001.
black money	<p>Colloquialism for illegally earned money, such as from extortion, smuggling or drug trafficking.</p>
Black Move	<p>Plan to relocate the entire government from London during the second world war. It was not implemented.</p>
Black Report	<p>Report prepared by Sir Douglas Back in 1980 into health inequalities in society, particularly the higher death rates among poorer people. A similar conclusion was reached in 1998 by the Acheson Report.</p>

Black Rod	Official of the House of Lords with a similar role to the Serjeant-at-Arms in the House of Commons.
Black-Scholes	Method for valuing options using a mathematical formula. The method is complex. It involves constructing a portfolio using delta hedging to create the same cashflows as the option.
blacksmith half crown	Half crown struck in Kilkenny, Ireland during the civil war.
Black Thursday	Various dates when bad things happened, including (1) 24 October 1929, the start of the Wall Street Crash . (2) 24 August 1995, when the Moscow interbank credit market collapsed.
Black Tuesday	The date 29 October 1929 which, with the day before, were the worst days of the Wall Street Crash .
black web	Area of worldwide web for illegal activities, such as buying banned products or engaging in illegal activities. Access is usually by invitation only. Sites are designed to make users unidentifiable and not to record visits on the users' computers. Any payments may be made using the bitcoin .
Black Wednesday	The date 16 September 1992 when the government was forced to withdraw the pound from the European Exchange Rate Mechanism . Although said to be temporary, Britain never rejoined. Interest rates had previously risen from 10% to 12% and then to 15% before returning to 12%. The cost to the Treasury was estimated at £3.4 billion.
BLAGAB	Basic life assurance and general annuity business. The term is used in connection with taxation of chargeable gains and allowable losses in the taxation of life assurance companies (Income and Corporation Taxes Act 1988 s432B(12)). The term is also used in Taxation of Capital Gains Act 1992 s210A. In relation to land remediation expenditure, there are provisions in Corporation Tax Act 2009 from s1164.
blagging	Impersonating someone to obtain their financial and other personal details.
Blair, Tony	Scottish-born Labour politician (1953-) who was prime minister from 2 May 1997 to 27 June 2007.
blanch	Method of testing the provenance of coins to pay tax in the reign of Henry I. A quantity of silver coins was melted down and the impurities skimmed off. If the weight was light, the taxpayer had to provide further silver coins to make it up.
blank	(1) Description of a form which has not yet been used. (2) In coin minting, another name for a flan .
blank bill	Bill of exchange where the name of the payee is left blank.

blank cheque	<p>Signed but incomplete cheque which is passed for someone else to complete. Such a cheque is valid provided it is completed within a reasonable time and in accordance with the authority given (Bills of Exchange Act 1882 s20).</p> <p>It is possible to restrict a blank cheque, such as by writing "not to exceed £200" on it and signing this.</p> <p>A blank cheque is legally known as an inchoate instrument.</p> <p>A company or other body accountable to members should not sign blank cheques as this represents a loss of control.</p>
blank door	<p>Recess in a building which simulates a door but provides no access.</p>
blanket election	<p>An election which applies every time particular circumstances arise, avoiding the need to make an election on each occasion.</p> <p>In particular, the term refers to an election a partnership may make to treat the partnership as continuing for income tax purposes when partners join or leave.</p>
blanket lien	<p>American term for a lien on all a person's property, including personal effects.</p>
blanket policy	<p>Insurance policy which has one maximum sum payable but does not specify individual maxima for items covered. It is often used to insure a fleet of vehicles.</p>
blank form	<p>Form which indicates what details are required and where they are to be written.</p>
blank transfer	<p>Transfer of shares or similar securities where the name of the transferee has not been entered. Such a transfer document may be required when shares are offered as a security for a loan.</p>
blank window	<p>Feature of a building which looks like a bricked-up window.</p>
blasphemy	<p>Before 8 July 2008, common law criminal offence of making offensive comments about God, Jesus, the Bible or the Church of England. The nature of the offence is to offend people.</p> <p>The last successful prosecution was <i>Whitehouse v Lemon [1977]</i> against the editor of <i>Gay News</i>. That was the first prosecution since 1921. The last prosecution in Scotland was in 1843.</p>
blasting powder	<p>Substance included in the list of explosives for which there are special Customs provisions (Explosives Act 1875 s3(1)).</p>
bldg	<p>Abbreviation: building.</p>
bleak house	<p>Label given to the non-union segment of the economy. The term comes from an unrelated novel by Charles Dickens.</p>
bleed to death	<p>In finance, colloquialism for slowly becoming insolvent.</p>

bleed white	Colloquialism referring to heavy extortion, from the analogy of a body from which all blood has been drained.
blemishing the peace	Conduct which, though not a criminal offence in itself, can justify a court to require a person to provide a surety for good behaviour.
blend	Mix two items to make a product.
blende	Mineral, particularly zinc sulphide. The term comes from the German word meaning to deceive, as the mineral looks like galina.
blended funds	Mixed funds from different sources, particularly when they derive from different provisions of a will. This can create problems in determining the inheritance tax liability.
blended rate	Single rate of tax that reflects the different rates of tax that would otherwise apply. The term is usually applied to VAT on vouchers when they are taxable. Where the voucher can be redeemed for goods where different VAT rates apply, the tax can be determined by estimating how those vouchers will be used to acquire goods subject to different rates.
blended workforce	In human resources, a workforce with an appropriate balance of full-time employees, part-time employees, temporary workers and independent contractors.
blending	Process of mixing two or more wines to make a saleable alcoholic drink. Alcoholic Liquor Duties Act 1979 is charged in accordance with Alcoholic Liquor Duties Act 1979 s54(3A).
blending of liquors	Mixing two or more alcoholic liquors to make a saleable alcoholic drink. The tax provisions for blending are contained in Alcoholic Liquor Duties Act 1979 s66A.
Blériot, Louis	French aviator (1872-1936). On 25 July 1909 he became the first person to fly from France to Britain. Customs declared the aeroplane to be a flying boat and subject to the same taxes and controls.
bless	Religious act of declaring that an asset is for religious use. In accounting, a blessed item is included as a fixed asset, whereas a consecrated asset is usually excluded from valuation.
blet	Natural internal decay in products such as fruit, leading to a significant loss in value.
Bligh	Bligh's Reports, law reports of the House of Lords from 1818 to 1821.
blight	Something which causes injury or loss to another. In finance, the term means the loss of value of property because of a

proposed development such as a nearby motorway or airport.

The word originally meant a disease which caused plants to wither.

blight notice

Statutory notice under which an owner-occupier may be able to require a public authority to buy land which has lost value because of a proposed development, such as a new motorway or airport nearby.

blighty

Military colloquialism for a serviceman's home country seen in affectionate terms.

blind

Unable to see. Such a person may claim **blind person's allowance**.

blind ad

In human resources, a job advertisement that does not identify the employer.

blind alley

Line of argument that can lead to no useful conclusion.

blindness

The law allows for a copy to be made of a copyright work which is enlarged or otherwise adapted to make it useable by someone with poor sight.

One such copy may be made without requiring permission or breaching copyright under Copyright, Designs and Patents Act 1988 s31A, as inserted by Copyright (Visually Impaired Persons) Act 2002 s1.

blind person's allowance (BPA)

Additional allowance for income tax for a person who is registered blind. It is an anomaly in the system as it provides a measure of social security benefit in the income tax system. Its provisions are contained in Income Tax Act 2007 s38.

The allowance is indexed (ibid s57). It is a requirement that the claimant is resident in the EEA (ibid s56).

blind pig

Another name for a **speakeasy**.

blind spot

Term used in relation to **purchase tax** before 1951.

Many goods were subject to tax only above a certain value. So if goods were subject to 33½% on values above £30, goods costing £29 would be tax-free but goods costing £30 would have a tax-inclusive price of £40. The blind spot was abolished by the **D-system**.

blind test

Experiment conducted by someone who does not know the details of the study and so is free of any possible bias.

blind tiger

Another name for a **speakeasy**.

blind trust

Trust administered for an individual on the terms that the individual does not know what the trust is doing.

A blind trust is often set up for individuals when they are elected or appointed to political or public office. By not knowing in what businesses the blind trust has invested, allegations of favour to those businesses are avoided.

blitz	<p>In business, a concerted effort to deal with a large amount of work, particularly where this has been put off repeatedly.</p> <p>The term originally means sustained bombing from the air, as Germany inflicted on Britain in the second world war.</p>
BLM	<p>Prefix for HMRC's tax manual on business leasing.</p>
bloatware	<p>Computer programs which use too much memory.</p>
bloc	<p>Combination of countries, people or organisations for a common purpose.</p>
block	<p>Term with many meanings, including a quantity of items viewed together, as in a block of seats or a block of flats.</p> <p>As a verb, it can mean a restriction, such as imposition of a sanction or prevention.</p> <p>In computing, the term has a specific meaning of meaning current transactions that are added to a chain to make a blockchain.</p>
blockchain	<p>Term used in slightly different ways for similar meanings. They all related to the computer software and protocols for a distributed ledger system.</p> <p>The term can mean the generic name for the protocol used to implement a distributed ledger system in a particular way.</p> <p>It can also mean a specific distributed ledger.</p> <p>The term is also used for the bitcoin system which was the original blockchain. With a capital letter, Blockchain is a bitcoin services company.</p>
blocked account	<p>Account which cannot be used because of a restriction imposed either by a court or by a law.</p>
blocked currency	<p>Currency whose use is controlled by the government, usually restricting its use to within the country.</p> <p>This is often done by countries with a poor economy as a means of hiding the low value of the currency. A blocked currency often has an official exchange rate which is much higher than is otherwise justified.</p> <p>Currency which is not blocked is known as convertible currency.</p>
blocked earnings	<p>Tax term for earnings which cannot be received because of restrictions imposed by a foreign government.</p> <p>An election may be made for such earnings not to be taxed under Income Tax (Earnings And Pensions) Act 2003 s36.</p>
blocked funds	<p>Money held in a blocked account.</p>
blocked input tax	<p>Input tax that is always non-deductible, such as that on business entertainment and some cars.</p>
blocked website	<p>Website that a user has prevented from accessing his or her computer by using a filter.</p>

block exemption	Exemption that may be granted under European law for certain types of agreement that would otherwise be regarded as anti-competitive.
block grant	Old term for the sum which central government provided to a local authority. It is now known as formula grant .
block graph	Pictorial representation of different events. It is like a bar chart but with the bars running horizontally rather than vertically.
block of leave	For statutory residence test , a concept to determine whether a non-working day is regarded as part of a period of leave for the purposes of third automatic overseas residence test.
block order exposure system (BLOX)	UK stock market system for making quotes on large numbers of shares and other securities.
block positioner	Broker or dealer who acts as the other party in a sale for a large number of shares or other securities.
block trade	Buying or selling a large number of shares or other securities in a single transaction.
block trading	Trading in large numbers of shares or other securities.
block transfer	<p>In pensions, the single transfer of all sums and rights from one pension scheme to another in respect of a group of members. This often happens when a business is taken over.</p> <p>The transfer is from a transferring scheme to a receiving scheme. The main conditions permitting a block transfer are:</p> <ul style="list-style-type: none">• every member transferred must have been a member for at least 12 months;• if the receiving scheme is a personal pension scheme, the membership period excludes any period where the benefits paid into the transferring scheme were only contracted-out rights;• all the sums must be transferred from one transferring scheme to one receiving scheme;• the transfer must be made under a single agreement, but need not be transferred on the same day.
block volume	Total volume of block trades for a stated period.
block vote	System where one person is allowed to cast a large number of votes on behalf of other people, such as when trade unions cast votes at their conferences based on the size of their membership.
blodwyte	Fine or compensation for shedding blood. Historically this was paid to the lord of the manor who passed some to the injured person or their relatives.

blog	Personal record which someone puts on the Internet for others to read. It is a contraction of "web log".
Blondeau, Pierre	French engraver who worked at the Tower Mint during the commonwealth administration and the reign of Charles II. He introduced the screw press for making milled coins and worked out how to put lettering on a coin's edge.
blood	In law, a personal relationship which derives from ancestry and descendency rather than from marriage or adoption.
blood-horse	Horse of the purest breed, and therefore particularly valuable.
blood money	(1) Money paid by a killer to his victim's next of kin. (2) Money paid to an informant to convict a person of a capital offence. Judas Iscariot was given blood money for betraying Jesus.
blood relation	Person to whom one is related by blood, rather than by marriage.
bloodstock	Collective term for valuable horses kept for breeding.
blood test	Test on a person's blood, usually to establish any illness. Before advances in DNA , a blood test was sometimes used in paternity cases. A blood test could prove that a man was <i>not</i> the father but could not establish whether he was.
bloodbath	Boxing slang for an unequal split where the manager receives a much larger share of the money than the boxer.
bloodstock	Collective term for valuable horses kept for breeding.
blood test	Analysis of blood, such as to determine whether a person has consumed alcohol. It can also be used to establish that a man could <i>not</i> be the father of a child, though DNA testing is now more commonly used.
bloody code	Criminal law of the 18th century which had a long list of capital offences, such as stealing anything from a person.
Bloody Sunday	(1) 13 November 1887 when two socialist demonstrators died in a police baton charge in Trafalgar Square, London. (2) 22 January 1905 when hundreds of unarmed peasants were mown down in St Petersburg, Russia, when petitioning the Tsar. (3) 21 November 1920 when 14 British intelligence agents were shot by Sinn Fein in Dublin. (4) 30 January 1972 when 13 Catholics were shot by British troops while demonstrating in Londonderry, Northern Ireland.
Bloomberg	American financial information service.
blot	Drop of ink which dries on a paper, leaving an ugly stain and which may obliterate writing. This has become less common with modern writing.

implements.

In bookkeeping, any figure concealed by a blot must be written again, indicating where it refers. If a large amount of information is concealed by blots, the text should be written again, clearly indicating this. In all cases, the original text should be left legible, and there must be no doubt as to which entries are to be regarded as original.

More generally, the term refers to any impediment such as a defect in character or unfortunate incident.

blot on title

In law, a defect in title.

blow off

Colloquialism for the rapid increase in selling that can happen when a share or other security reaches a high value.

blowout

American term for a rapid sale of a new stock issue.

BLS

Bureau of Labor Statistics.

blue badge

Indication for cars indicating that it is carrying a disabled person who is entitled to use special facilities such as reserved parking bays, and to avoid some charges for improper parking. There are some variations in its use in the UK.

Under an EU resolution of 1997, all EU states accept each other's blue badges. They are also accepted in the USA, Canada, Australia and some other countries.

Blue badges replace the original orange badges issued under Chronically Sick And Disabled Persons Act 1970. A badge is valid for three years, and must then be renewed.

The badge relates to the disabled person, not to a vehicle. This means that the badge may be displayed in any car being used by or for that disabled person.

In England and Wales, the badge is provided in a holder that includes a cardboard device imitating a clock face. This is set to indicate when the car was parked.

The presence of such a badge helps to determine that the car is for a person with **disability**. This attracts certain tax benefits.

Blue Blanket

Banner of Edinburgh craftsman.

Blue Book

(1) In the UK, annual government publication detailing national statistics relating to the economy.

(2) In USA, a document prepared for the Federal Reserve that reviews monetary policy.

blue button

Name once used for a trainee **market-maker**. He is allowed to collect prices but not to transact bargains.

blue channel

Customs term for the exit at ports and airports to be used by travellers from the European Union who are carrying no banned or restricted goods.

blue chip	Term denoting a large, safe and respected company. Such a company is usually regarded as safe and reliable. The term comes from the colour of chips used in a casino .
blue chip out	Where a company does not seek a stock market quotation of its own, but is bought out by a blue chip company.
Blue Ensign	Flag of blue with the union jack in one quarter which is flown by the Naval Reserve and merchant vessels.
blue gas	A form of wood gas .
blue list	Daily list of municipal bonds and their ratings, produced in the USA by Standard and Poor's .
blue meanies	Slang for police or other bodies who are seen to clamp down on enjoyment. The term enjoyed a brief popularity from the characters in The Beatles' cartoon film <i>Yellow Submarine</i> released in 1968.
Blue Monday	Date regarded as the most depressing day of the year. It is usually the third or fourth Monday of January. The term was coined for marketing purposes by Sky Travel, and has gained some currency. The term has been used in literature and as the title for several popular songs.
blue month	Month in which trading in a derivative is at its greatest.
blue pencil provision	Provision that a clause in a legal document remains valid if it still makes sense when unenforceable provisions have been deleted, such as by a blue pencil.
blue return system	Tax system used in Japan and some other Asian countries, whereby taxpayers who follow standardised accounting procedures may file their tax returns on a simple blue form. This often also attracts tax privileges.
blue sky laws	American state laws which protect investors from fraudulent traders.
blundered inscription	For coins, a legend that appears blurred from being inaccurately struck more than once.
Blunkett, David	English-born Labour politician (1948-) who was Secretary of State for Work and Pensions from 6 May 2005 to 2 November 2005. He has held other government and shadow posts. He is believed to be the country's first blind minister.
BMD	ISO code for Bermuda dollar.
BME	Black and minority ethnic (police term)
bn	Usual abbreviation for billion .

BND	ISO code for Brunei Darussalam dollar.
B notice	Notice issued by HMRC on 14 December 2014 which includes some transitional provisions before changes in gambling tax before 1 December 2014.
board	(1) Provision of food with accommodation. (2) Collective noun for directors, trustees or other group responsibility for running an organisation.
board and lodging	Provision of meals and sleeping accommodation. The tax treatment for employees is explained in the inspectors' manual at EIM01020, If an employee is provided with "self-contained living space", a tax charge will probably arise under Income Tax (Earnings And Pensions) Act 2003 s97, unless within an exemption. Otherwise s97 does not apply to board and lodging.
boarding powers	Powers of HMRC officers to board an aeroplane or vessel in connection with customs duties. These are set out in Customs and Excise Management Act 1979 s27.
board meeting	Meeting of the directors of a company.
Board of Customs and Excise	Controlling authority for Customs and Excise until merged with Inland Revenue in 2005. The original Commissioners of Customs were created in 1671 by Charles II.
board of directors	The group of people responsible for running a company. In the USA, the term is also used to mean a group of people elected by shareholders to appoint the company president and other executives.
Board of Green Cloth	Body which controlled royal finances until 1782.
Board of HMRC	Board of HM Revenue and Customs, the body formed in 2005 which controls the UK taxing authorities.
Board of Inland Revenue	Body that controlled the authority for dealing with direct taxes. In 2005, it was merged with Customs and Excise to form the Board of HMRC .
Board of Trade	Body first formed in 1889 to regulate matters relating to trade and foreign plantations. This became a function of the Department of Trade, later the Department of Trade and Industry, and now Department for Business Enterprise and Regulatory Reform.
board order	Order to a stockbroker to buy or sell at a particular price.
board wages	Wages paid to servants which included money for them to buy their own food which was not provided by the master.

boat	In gambling, colloquialism for a full house.
BOB	ISO code for Bolivia boliviano.
bob	Slang for a shilling , used from around 1700 to the coin's replacement in 1971. The origin of this slang is unknown. In 1870, <i>Brewster's Dictionary of Phrase and Fable</i> suggested it may be a form of bawbee, a slang term for a halfpenny.
bobby	Old name for a policeman, from its founder Sir Robert Peel.
BOBL	Bundesobligationen. German government bonds that have a life of between two and six years. The abbreviation is pronounced "bobbles".
bodies with aims that are in the public domain	Term used in VAT leaflet 701/5 for public interest bodies .
bodily functions	For the purpose of disability living allowance , this includes washing, dressing and going to the toilet. A person who has difficulty with such functions may be entitled to the care component of this allowance.
body corporate	Any formally constituted single group of people with a common purpose. "In the Companies Acts — "body corporate" and "corporation" include a body incorporated outside the tje United Kingdom, but do not include — (a) a corporation sole, or (b) a partnership that, whether or not a legal person, is not regarded as a body corporate under the law by which it is governed" (Companies Act 2006 s1173(1)).
body language	Range of mannerisms and physical expressions which indicate what a person is really thinking.
body of deed	Operative part of a deed, as against the recitals .
body of persons	Term used in Taxes Management Act 1970 s71. It broadly means that a group of two or more people are taxed on a similar basis to a single person. The term is defined in <i>ibid</i> s118(1) as "any body politic, corporate or collegiate, and any company, fraternity, fellowship and society, whether corporate or not corporate".
body parts	Parts of a live or dead human body. Commercial dealing with such parts in Scotland is an offence under Human Tissue (Scotland) Act 2006 s20.
body politic	Nation considered in terms of a public corporation.
body servant	Personal servant, literally one who looks after the body of the master.
bodyshopping	Providing services to a client "by employees of service providers, being small, medium or large companies who employ staff whom they second to clients". This definition was given in the judgment of Burton J in the case <i>CIR v</i>

Professional Contractors Group [2001] regarding an IR35 issue.

bodywork	Colloquialism where the physical appearance and sex of a worker are important, such as in acting.
boe	Barrels of oil equivalent
BoE	Bank of England.
Boesky, Ivan	American arbitrageur (1937-) who coined the phrase "greed is good". He was found guilty of insider dealing. Even after plea bargaining and giving evidence against many friends, he was sentenced to 3½ years imprisonment and a \$100 million fine.
boffin	Colloquialism for a clever researcher. The term was first used by the RAF for their research scientists in the second world war. They took the term from Mr Boffin, a character in <i>Our Mutual Friend</i> by Charles Dickens.
BOGOF	Unfortunate abbreviation for buy one get one free.
Bohemian	Free-living without concern for material comforts or security. The term comes from Bohemia, now in the Czech Republic, whose inhabitants were believed to live like that.
bohunk	Unskilled labourer. The term comes from Bohemia.
boiler	In relation to leases of plant and machinery installed in buildings, a boiler for a space or water heating system is specifically included in the scope of a fixture (Capital Allowances Act 2001 s70YI(1)).
boilerplate	The standard terms which apply to all contracts or other forms of agreement. In accountancy, it particularly refers to the practice of using a general description for an accounting practice rather than describing what has happened. Such descriptions do not always accurately describe the practice. The Financial Reporting Review Panel criticised this practice in 2007.
boiler room	High pressure selling techniques, particularly to persuade individual investors to buy shares of doubtful value. The term is believed to have originated in The Netherlands in 1986.
Bolam standard	Legal principle that a professional doctor is not negligent if he or she acts "in accordance with a practice accepted as proper by a responsible body of medical men skilled in that particular art" (McNair J in the case <i>Bolam v Friern HMC [1957] 2 All ER 118</i>). The case concerned a man who suffered physical injuries from flailing during electroconvulsive therapy. These injuries could have been avoided if he had been given muscle relaxants and had been restrained. The judge and jury (which then heard tortious claims) found for the hospital. Although this case related to a doctor, it sets out useful guidance for

negligence claims against all professional people.

bold figure Figure set in **bold type** in annual report to draw attention. This is widely used to mean figures for the reported accounting period rather than those for the previous period.

bold type Variant of a typeface which is a little wider, and therefore more black and more obvious on the page, than ordinary type. This is sometimes achieved by making the characters wider by 1/144 of an inch. In accounting, bold type is commonly used to indicate figures for the current accounting period. Type that is not bold nor in any other variant (such as italic) is called roman.

bolivar fuerto Currency of Venezuela until 19 August 2018. It collapsed through hyperinflation in 2018 and was replaced by **bolivar soberano**.

bolivar soberano Currency of Venezuela from 20 August 2018, when it replaced the **bolivar fuerto** which collapsed from hyperinflation. The rate was 1 bolivar soberano to 100,000 bolivae fuerto.

Bolivia South American state. Its currency is the **boliviano** of 100 centavos. The UK has a double taxation convention of 1994.

boliviano Unit of currency in Bolivia.
The currency was first introduced in 1864 and used until 1963 when replaced by the Bolivian peso. This was replaced in 1987 by a currency initially called the new boliviano, then worth about one US dollar.

bollinger bands Method of technical analysis for detecting price changes in shares and other securities. They were invented in the early 1980s by John Bollinger, an American financial analyst (1950-).

The method plots **standard deviation** of the moving average of a price to give a figure for **volatility**. A long period of low volatility means the bands are close together, which indicates that the price is about to break out from its established pattern.

bolsa Spanish, Portuguese or South American stock exchange.

bomb As a colloquial term, the word has two opposite meanings. It means either a success — it went like a bomb, or a failure — it bombed. The latter use is of American origin.

Bombay Stock Exchange Main stock exchange of India.

bona fide Latin: in good faith.
Many transactions and actions must be done in good faith to be lawful.

bona fide occupational qualification (BFOQ) American term for **genuine occupational qualification**, namely when the occupation requires a particular type of worker for whom such requirement

would otherwise comprise unlawful discrimination.

bona gestura

Latin: good behaviour.

Bonaire

One of the islands of what was known as the **Netherlands Antilles**.

bona mobilia

Latin: moveable goods.

bonanza

Source of great wealth.

bona peritura

Latin: perishable goods.

Bonar Law, Andrew

English politician (1858-1923) who was Chancellor of the Exchequer from 10 December 1916 to 10 January 1919 under the coalition government of David Lloyd George. He advocated tariff reform.

He was prime minister from 23 October 1922 to 22 May 1923.

bona vacantia

Latin: unclaimed goods.

Such goods belong to the Crown, the Duchy of Lancaster or the Duke of Cornwall depending on where they are located.

When a company is struck off the register at Companies House, all its property and rights are bona vacantia (Companies Act 2006 s1012). In the autumn of 2011, the Treasury Solicitor said he would not seek to recover any distribution of assets of a struck off company. Previously he would only seek to recover assets of more than £4,000.

bond

Any **security** which has the nature of an **IOU**. It is usually an agreement whereby a sum is repaid to an investor, with interest, over a period of time.

Companies may issue bonds as part of their **debt equity**. A business may issue a bond when goods are deposited in an excise warehouse.

The government issues bonds in the form of **gilts**.

"A certificate of debt issued by a government or corporation in order to raise money - a bond is essentially an IOU. A bond states when a [loan](#) must be repaid and what interest the borrower (issuer) must pay to the holder. In the UK, government bonds are called 'gilts'. In the US they are called 'Treasury securities'." (HM Treasury glossary).

bond anticipation note

Short-term interest-bearing security issued for short-term financing just before a large bond issue.

bond basis

Method for calculating accrued interest on bonds.

bond broker

Broker who specialises in trading in government bonds.

bond conversion

Exercising the right to exchange from one bond to another, usually on different terms.

bond covenant

Term in the contract for the issue of a bond which restricts the conduct of the issuer.

bond creditor	Creditor whose debt is secured by a bond.
bond discount	Difference between the face value of a bond and the lower price at which it is issued.
bonded goods	Goods in a bonded warehouse .
bonded warehouse	A place approved by HM Revenue & Customs for the deposit, keeping and securing of goods liable to excise duty, without payment of that duty. This term is often applied to a Customs Warehouse: incorrectly, since no bond is usually required for these.
bonded warehouse	Warehouse where goods are stored until taxes are paid.
bond finance	The name sometimes given to loan finance (more commonly in the USA).
bond future	Contract to buy or sell a specific bond at a future date for an agreed price.
bondholder	Person who owns government bonds.
Bond House decision	Ruling of the European Court of Justice in a case of 2006. It held that an innocent party to a missing trader fraud may claim back the VAT input tax.
bond interest yield	Return on a gilt or other bond that aims to show its return as a percentage of either its nominal or current price.
bondised	Description of an insurance fund which is linked to a unit trust.
bond market	Place where government and municipal bonds are traded.
bond mutual fund	Mutual fund that invests in bonds.
bond of association	Another term for common bond , the social connection between members of a credit union or similar body.
bond of caution	In Scots law, "where the court appoints a party or other person to find caution (a sum of money as security), this may be done by depositing cash, or by arranging a bond with an insurance company. It ensures that money is available in the event that the security is required. Note 'caution' is pronounced to rhyme with station" (Judiciary of Scotland website glossary).
bond paper	Heavy paper , typically of at least 100gm, which is often used for letters or where quality or durability is desired. Ordinary copy paper is typically 80 gm.
bond premium	Difference between the face value of a bond and the higher price at which it is issued.
bond rating	Credit rating for a bond, usually as determined by a recognised ratings agency. The rating depends on how likely it is considered that the bond issuer will

default.

bond risk	Risk associated with holding bonds as an investment. The two commonest risks are interest-rate risk and credit risk. The former arises if interest rates change, and the latter if the rating of the bond deteriorates.
bond swap	Simultaneous sale of one bond and purchase of another.
bondwashing	The practice of selling a bond cum div so that the dividend is treated as part of the capital gain and not income, and is therefore taxed more favourably. Tax law changed from 27 February 1986 to make this practice ineffective.
bond yield	Income produced by a bond, expressed as a percentage of the price paid for the bond.
bon marché	French: bargain, cheapness.
bonne chance	French: good luck.
bonne compagnie	French: good company.
bonne grace	French: good grace
bonnet	Old slang term for a person who distracts the attention of others in a game or auction for the advantage of a colleague. The term comes from the old expression "bonneting" which means to cover someone's eyes.
bonnet-piece	Gold coin of 1539, the first dated Scottish coin. King James V of Scotland in appears to be wearing a bonnet.
Bons à taux annuel nominalisés (BTAN)	A French coupon-bearing, fixed rate government bond, usually issued with a maturity period of five years.
bonus	Additional payment or benefit in some form, particularly (1) to staff. It may be contractual or discretionary. Although a bonus can be in kind, the term usually means a payment in money. Such bonuses are subject to tax and national insurance as gross pay. (2) Amount added to a with profits policy or similar. Typically such a bonus, once added, cannot be removed.
bonus dividend	Dividend paid to shareholders above those expected. Such a dividend often arises on a takeover.
bonus issue	An issue of shares to existing shareholders for no payment. Such an issue is usually in proportion to the holder's existing holding. A bonus issue is usually for one of two reasons: <ul style="list-style-type: none">• to capitalise some retained profit; or• to reduce the nominal value of the shares to a smaller size,

making them easier to trade.

Typically the former reason tends to be of a small size, such as one bonus share for every five already held. The latter reason tends to be of a much larger size, such as five shares for every one held.

A bonus issue does not increase the value of the company nor does it increase the value of a shareholder's holding.

A bonus issue is sometimes called a **scrip issue**, or (if for the former reason) a **capitalisation issue**.

bonus share

Share issued in a **bonus issue**.

bonus shares

"Shares which are issued otherwise than for payment (whether in cash or otherwise)" (Income Tax Act 2007 s151(1); Corporation Tax Act 2010 s90(1)).

For community interest tax relief, the expression "means shares which are issued other than for payment (whether in cash or otherwise)" (Corporation Tax Act 2010 s209(1)).

booby prize

Award given to a person who comes last in a competition. It is often humorous.

boodle

Slang term for money. The term originates from *The Saint* books by L Charteris.

book

Value added tax

Bound collection of pages. They are commonly divided into exercise books for the customer to write in, and text books for the customer to read.

For VAT purposes, exercise books are standard-rated as stationery. Text books are zero-rated under Group 3 of the zero-rating schedule.

Instruction books supplied with equipment are usually regarded as part of the supply of the equipment.

Further details are given in VAT notice 701/10.

In my judgment, the English word 'book', although it always refers to an object whose necessary minimum characteristics are that it has a significant number of leaves, now usually of paper, held together front and back by covers usually more substantial than the leaves, is a word with a variety of possible more particular meanings.

For any particular use of the word, its particular meaning will be derived from the circumstances in which it is used. For instance, if a barrister in the clerks' room of his chambers points to a blank counsel's notebook and says to his clerk 'please hand me that book', he would not expect the answer 'that is not a book'. (Mr Tallon surprisingly submitted that a counsel's notebook might not be a book because it was perforated—a point which he also made in relation to a cheque book.)

On the other hand if the same counsel, having a substantial collection of law reports and legal textbooks in his room, asked the same clerk to count all the 10 books in his room, he would not expect the clerk to include blank counsel's notebooks in the count.

If a testator uses the word 'books', the word obviously has to be understood in the

context of the objects which the testator in fact has to bequeath. In the first instance, the only circumstance here is that the words 'books' and 'booklets' are used in the Schedule to a statute. They are accordingly relevantly devoid of context.

Devoid of context, in my judgment the ordinary meaning of the word 'book' is limited to objects having the minimum characteristics of a book which are to be read or looked at. (The same applies to 'booklet', which I think is a thin book perhaps with a rather flimsy cover. I am not sure about the *Shorter Oxford English Dictionary* definition of booklet as 'a tiny book', since I would not myself call a tiny book with many pages a booklet.)

If you ask of a particular object 'is this a book?', you immediately provide a context, which the words in the statute lack. You will get an answer 25 which is affected by the context. If you ask instead what I regard as the right question here, ie 'what is the ordinary meaning of the word "book"?', you should get an answer which accords with the ordinary meaning to which I have referred.

As Mr Richards submitted (although he accepted that these diaries and address books might be books or booklets within one possible meaning of those words), people generally think of books as things to be read rather than as blank pages bound together.

A filled-in diary of historical or literary interest may be a book because it is retained to be read or looked at. But a blank diary is not a book in the ordinary sense of the word. Likewise a blank address book is not in the ordinary sense a book and it does not become one simply because its name includes the word 'book'. A cheque book is plainly not a book nor, in my view, is it a booklet in the ordinary sense of that word.

The fact that in some contexts you would say of a blank diary that it is a book within one possible meaning of that word does not mean that it is a book within the ordinary meaning of the word. There is in my view no reason for reading the words 'books' and 'booklets' in item 1 of Group 3 of Sch 5 to the 1983 Act in a more extended meaning than their ordinary meanings.

May J in Customs and Excise Commissioners v Colour Offset Ltd [1995] STC 85 (QB).

book

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Other meanings

- (1) Record of accounts, commonly used in the plural.
- (2) Term used by **foreign exchange** dealers to represent their total **exposure** to the market. The reduction of the book is known as **book-squaring**.
- (3) In gambling, a book is a collection of odds at which bets are accepted.

bookbuilding

Process of advisers determining the demand for an issue of shares, such as how many shares investors will take and at what price. This helps determine the shares' offer price.

Typically the process starts several months before the issue, with greater activity in the week or two before.

booking fee

Any fee which is payable in advance for the provision of a service, such as to secure a theatre seat or hotel room. For VAT, this is a supply of a service, even if the customer does not take up the theatre seat or hotel room (VAT notice 700). It is not regarded as a **cancellation fee**.

In finance, it usually refers to a charge for either sourcing the funds or reserving them for a **fixed mortgage** or a **capped mortgage**.

booking the basis

For securities, forward pricing sales arrangement where the cash price is determined (by either the buyer or seller) according to a previously agreed basis.

bookkeeping

General

Keeping financial records.

[Bookkeeping, bookkeeper and bookkeepers are the only English words to have three consecutive double letters.]

VAT flat rate scheme

Under the VAT flat rate scheme, the appropriate percentage is:

From	Percentage
4 January 2011	14.5%
1 January 2010	13%
1 December 2008	11.5%
1 January 2004	13%

bookkeeping barter

Financial record where two businesses or people trade by exchanging goods in a **barter** transaction.

The bookkeeping requirement is to make two journal entries, one for the purchase and one for the sale, so that the transaction is properly recorded and taxed.

bookkeeping transaction

Any financial transaction which requires entries in the business's financial records but which does not affect the value of the business. Examples include reallocation of expenses and issues of bonus shares.

booklet

For VAT, a booklet is specifically zero-rated under Value Added Tax Act 1994 Sch 8 Group 3. HMRC gives its own guidance, which is not law, in VAT Notice 701/10.

An example of where HMRC guidance was not followed is *Paragon Customes Communications Ltd [2018] TC 6415*. This held that a booklet included printed sheets of paper about a customer's insurance policy stapled into a hard cover.

bookmaker

Person whose trade is to accept bets.

It was held that such a person was engaged in a taxable vocation in *Partridge v Mallandaine [1886] 2 TC 179*.

bookmakers' levy

Levy on bookmakers payable to the Horserace Betting Levy Board under Horserace Betting Levy Act 1969 s1.

book of account

Any book, or computer equivalent, which records financial transactions. One which is part of the double-entry bookkeeping system is known as a **book of**

prime entry.

book of original entry	Another name for a book of prime entry .
book of prime entry	<p>Book or equivalent in which all financial transactions are first recorded. Typical books of prime entry are the cash book, petty cash book, wages book, sales day book, purchases day book and journal.</p> <p>The totals from the books of prime entry are entered into the nominal ledger from which the trial balance is prepared.</p>
book sales	Sales as recorded in the business's financial records.
books of council and session	In Scots law, "a popular title for the register of deeds and probative writs in which, according to the directions they contain, deeds etc, may be registered for preservation or preservation and execution" (Judiciary of Scotland website glossary).
book-squaring	Process by which a foreign exchange dealer reduces his book , that is his exposure to the market.
book to bill ratio	Ratio of orders taken in a period divided by invoices issued in the period. This ratio is widely used in particular businesses such as for semiconductors. The measure indicates whether demand is rising or falling.
book value	<p>Value of an asset as recorded in the business's financial records.</p> <p>The value of a fixed asset after depreciation is known as the net book value.</p> <p>For animals compulsorily slaughtered, the term is given a specific meaning in Income Tax (Trading and Other Income) Act 2005 s225ZC.</p>
book value per share (BVPS)	Company's net assets divided by the number of its shares.
book with CD	<p>For VAT purposes, a book with a CD is treated as two separate supplies with the book zero-rated and the CD standard-rated.</p> <p>There is an exception if either the book or the CD is merely a promotional item for the other. This is an area where care and professional advice is needed.</p>
Boolean algebra	<p>Branch of mathematics for establishing truth of multiple statements.</p> <p>At its simplest, letters such as x, y and z are used to denote statements which may be true and equal to 1, or may be untrue and equal to 0. Addition denotes "or", and multiplication denotes "and". On this basis, the normal rules of algebra apply.</p> <p>For example:</p> <p>x = pigs have four legs y = pigs can fly.</p> <p>Using Boolean algebra, these statements have values:</p> <p>$x = 1$ (true) $y = 0$ (untrue)</p> <p>Following the normal rules of algebra, we can conclude that:</p>

$$x + y = 1$$

which means it is true that either pigs have four legs or they can fly; and

$$xy = 0$$

which means that it is not true that pigs both have four legs and can fly.

Boolean algebra can be extended to more sophisticated applications.

Boolean logic

Means of expressing functions using similar expressions to **Boolean algebra**. In particular, it uses the three operations “and”, “or” and “not”.

Such expressions are often used in **search engines** for **websites**. For example “pig +legs” will find all references to pig and legs, while “pig –guinea” will find references to pig but not to guinea pig.

boom

Generally this imprecise term applies when there is sustained growth in both prices and activity.

boom and bust

Period of sustained growth and increasing prosperity interrupted by **recession**.

The term has been widely and pejoratively used about the Conservative government's period between 1979 and 1997 when there was sustained growth interrupted by two **recessions**, in the early 1980s and early 1990s.

boomerang boss

Someone who leaves a job, takes a pension, and then returns.

The government used the term in a press statement about the fire service on 21 February 2017.

boondoggling

American slang for pointless spending, particularly by the government.

The term is believed to come from the Scottish word “boondoggle” which means a marble awarded to someone who has done nothing to deserve it.

booster cushion

In relation to the reduced rate of VAT for child **safety seats**, “means a cushion designed —

(a) to be sat on by a child in a road vehicle, and

(b) so that a child seated on it can be restrained by a seat belt fitted in the vehicle”

(Value Added Tax 1994 Sch 7A Group 5 para 5).

booster seat

In relation to the reduced rate of VAT for child **safety seats**, “means a seat designed —

(a) to be sat in by a child in a road vehicle, and

(b) so that, when in use in a road vehicle, it and the child can be restrained by a seat belt fitted in the vehicle”

(Value Added Tax 1994 Sch 7A Group 5 para 4).

bootleg

Illegal manufacture.

The term particular applies to:

- alcoholic liquor on which duty has not been paid; and
- copies of books, art, film, music etc on which copyright fees have

not been paid.

The term originally referred to illicit selling of liquor which was often

transported in long boots.

The UK privy council held that an illegal liquor bootlegging trade was taxable as a trade (*Canadian Minister of Finance v Smith*. PC [1927] ATC 621).

bootless	Colloquialism: lacking in profit.
bootless errand	Unprofitable or futile task.
bootlicker	Colloquialism for a person who blatantly curries favour from others.
boot money	<p>Informal fee paid to a footballer who makes a guest appearance for a team of which he is not a paid member. Such payments are taxable income.</p> <p>The term comes the fact that such money was originally paid by being left in the player's boots.</p>
boot strap	<p>(1) A cash offer for a controlling interest followed by a lower offer for the rest of the shares in a target company.</p> <p>(2) In computing, a programme which loads the system or boots up the computer.</p>
boot strap business	Colloquialism for a company started with a small amount of capital.
booty	<p>Strictly, military arms and stores captured on land. Booty belongs to the Crown.</p> <p>The term is used colloquially in a wider sense to mean anything acquired other than as expected.</p>
booty of war	Alternative form of booty .
BOP	Balance of payments.
bordar	Villein of the lowest rank who did menial work in return for being provided with a cottage.
border	<p>(1) In computing, a line drawn all the way round a window. By clicking and dragging on this border, the window can be resized.</p> <p>(2) Edge of a piece of land, such as between neighbours or countries.</p> <p>(3) For coins, the outer part of a coin next to its edge. This may have beading or similar design, originally to prevent clipping.</p>
Border Agency	UK Border Agency (UKBA).
Border Force Complaints	<p>Contact for complaints about Customs officers: Border Force Complaints, Priory Court, St John's Road, Dover, Kent CT17 9SH, telephone 01304 664 511, or website www.ukba.homeoffice.gov.uk/contact/makingacomplaint.</p> <p>General guidance about Customs procedures is given in Customs notice 1. Details of the appeals procedure are given in notice 12A.</p>
border tax	General term for customs duties and similar charges made by any country.

border tax adjustment	Allowing a country to alter the amount of indirect tax charged on imported goods to a rate similar to domestic goods . GATT rules generally allow such adjustments, but not in relation to direct taxes .
borehole	Deep hole in the earth to look for water or oil or other mineral.
borne	Carried. It is one of the two past participles of "to bear". The other, born, is restricted to birth. In tax, it refers to the total amount payable, including any amounts that have already been paid or have been regarded as paid. So a higher rate taxpayer who receives a dividend of £90 is regarded as having received £100 on which tax has been <i>borne</i> of £10 (even though no-one has actually paid this). He or she is liable to tax at £32.50. This is the tax <i>borne</i> of which £22.50 is the tax <i>payable</i> .
borough	Political division of a district for purposes of local government. Before 1974, a borough was a council with a royal charter.
borough court	Court which existed before 1974 to hear local disputes.
borough English	Before 1925, a customary form of descent whereby the youngest son inherited in preference to any older brother.
borough-monger	Someone who buys and sells the patronage of boroughs.
borough-reeve	Chief municipal officer of boroughs before 1835.
borrow	Have the use of someone's money or other property for a period. If a charge is made for borrowing, it is called hiring . If money is lent, it is common to charge interest .
borrow back	"Feature of a regulated mortgage contract under which a customer has the ability to re-borrow monies paid by him" (FCA handbook).
borrowed days	Old term for the last three days of March, which were said to be borrowed from April.
borrowed reserves	American term for loans made to US banks by the Federal Reserve to allow banks to keep reserves at acceptable levels. This is usually required when lending by the bank is too high.
borrowed time	Time beyond that which was allowed or expected, such as time after a deadline where action may still be taken or where a person is still alive after being expected to die.
borrower	Person who has borrowed money.
borrowing	The amount of money a person or business has borrowed. Borrowing which is due to be repaid within the year is treated as a

current liability. Borrowing which is due to be repaid in more than a year's time is a **long-term liability.**

In terms of pension funds, the word is given a specific meaning in Finance Act 2004 s163.

borrowing costs

Charges made to someone in respect of lending them money. This usually comprises interest calculated according to the amount borrowed and the period. It may also include a fee.

For accounting standards, "interest and other costs incurred by an entity in connection with the borrowing of funds" (FRS 102 glossary).

For International Accounting Standards, "interest and other costs that an entity incurs in connection with the borrowing of funds" (IAS 23 para 5).

borrowing days

Last three days of March, from the old untrue idea that these days were taken from April.

borrowing power

The amount of money a person or business may borrow.

borrowings

Account in the financial records which records all money borrowed.

Börse

German stock exchange.

Borstal

Place in which delinquent children were kept who were too young for prison. The first was founded in 1902 in the village of Borstal in Kent. In 1982, Borstals were replaced by custody centres.

boscage

Thick woodland.

Bosher

Leading case in which a tribunal cancelled automatically generated penalties that were manifestly disproportionate. The upper tier tribunal reinstated them. The full citation is *HMRC v Bosher [2014] STC 617*.

The unfortunate Andrew Bosher failed to make 18 monthly construction industry scheme returns. He was charged a series of penalties that totalled £64,000 for late returns of £6,000 tax. HMRC reduced this to £54,000 and then £14,600. The tribunal reduced it to £6,287. In 2013 HMRC successfully appealed to the upper tier tribunal that the first tier tribunal had no authority to cancel these penalties, and they were anyway proportionate. The appeal can be read at <http://www.bailii.org/uk/cases/UKUT/TCC/2013/579.pdf>.

Bosnia Hercegovina

European state. Its currency is the convertible mark of 100 fenings. It was formerly part of Yugoslavia. The UK-Yugoslavian double taxation convention of 1981 remains in effect.

Bosnia i Hercegovina

Bosnian: Bosnia and Hercegovina.

Boston Exchange Automated Communications and Order Routing Network (BEACON)

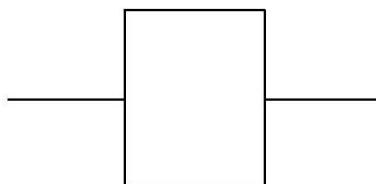
System that permits the automatic execution of trades based on the current stock prices on any US securities market.

Boston Matrix	Means of valuing a business by valuing its component parts according to different criteria. For example, cash cows are valued differently from start-ups.
Boston Tea Party	Event in 1773 in Boston which led to a serious deterioration in relations between Britain and America.
BOT	Bought. It is sometimes used by stockbrokers as a form of shorthand.
bot	In computing, a software application that runs automated tasks on the Internet. A common example is web spidering where data are fetched from many sites very quickly.
botes	Essentials for farming, such as wood for building or fuel. There were certain common law rights regarding botes.
Botswana	African republic. Its currency is the pula of 100 thebe. The UK has a double taxation convention of 2005.
bottle conditioned beer	Beer that continues fermenting after bottling. Beer duty is calculated according to the expected strength at consumption (Customs notice 226). Customs do not accept that there is any undrinkable sediment in bottle conditioned beer.
bottled moonshine	Colloquialism for a bevenolent scheme which is impractical.
bottled water	For VAT, this is standard-rated. They are specifically exempted from the scope of zero-rating for food by Value Added Tax 1994 Sch 8 Group 1 Note 3.
bottle-holder	Person who gives moral support but not material support. The term comes from boxing.
bottle mob	Criminal slang for pickpockets.
bottleneck	Place of constriction, such as part of a process which is slower than the rest and therefore causes delays.
bottle sizes	The imperial measure for wine, comprising $26\frac{2}{3}$ ounces. Multiples of this size are given these names: magnum = 2 bottles Jeroboam = 4 bottles Rehoboam = 6 bottles Methuselah = 8 bottles Salmanazar = 12 bottles Balthazar = 16 bottles Nebuchadnezzar = 20 bottles A nip is a quarter of a bottle, and a baby is half a bottle.

bottling	In entertainment, collection taken after an otherwise free show, such as on a beach. The term comes from using a bottle to collect cash to make it difficult for collectors to misappropriate it.
bottom feeder	Person who buys shares that have just fallen in value in the hope that they will soon rise again.
bottom fishing	Investment strategy which buys shares that are very cheap on the assumption that some of them will recover. The massive return from their doing so will compensate for the many others that become worthless.
bottom line	Net profit after tax. The term derives from the fact that this was traditionally the bottom line on the capital side of the balance sheet.
bottom of the harbour	Description of tax evasion in Australia in the 1970s which transferred tax liabilities to companies or trusts that were unable to pay them. Such schemes were outlawed in the 1980s. The term comes from the fact that the entity's books and records would conveniently disappear, often said to be dumped at the bottom of a harbour.
bottom out	To reach the lowest point but not to fall any further.
Bottom the Weaver	Person who believes he can do everything better than anyone else. The name comes from a character in the play <i>Midsummer Night's Dream</i> by Shakespeare.
bottomry	Secured loan for the emergency repair of a ship. The loan is secured on the "bottom" of the ship, meaning its hull. The lender can thus demand the ship itself if the loan is not repaid.
bottomry bond	Bond under which the owner of a ship makes a payment to a lender if a ship successfully completes its journey. It is an early form of marine insurance.
bottom up	Investment strategy that look at how individual companies are performing as a means of building a portfolio. It is the opposite to top down which starts by looking at industrial sectors.
bottom-up budgeting	Another term for participative budgeting .
bouche	Staff of cooks in a large house.
bouget	Old English form of budget .
bought	Past tense of "to buy ".
bought and sold notes	Documents which record sales and purchases, particularly on a stock exchange.

bought day book	A book used to record purchases made on trade terms.
bought deal	A transaction which is done for a fixed fee, rather than for a turn or commission .
bought ledger	Another name for a purchase ledger .
bought ledger clerk	Person immediately responsible for operating the purchase ledger . The duties usually include recording the totals for entry into the nominal ledger, and overseeing payments to suppliers.
bouillote	Gambling card game similar to poker .
boule	This game is specifically listed in Betting and Gaming Duties Act 1981 s13(3) as coming within the scope of gaming licence duty .
Boulton, Matthew	Englishman (1728-1808) who produced coin-making machinery in Birmingham. He was responsible for the cartwheel twopence coin. He was the first person to use steam power to mint coins.
bounce	Colloquial term meaning to dishonour , particularly when a bank does not pay on a cheque, direct debit or standing order.
bounce rate	In computing, ratio of website users who do not stay on the site.
Boundary Commission	Body that evaluates parliamentary constituencies and other voting areas under Parliamentary Constituencies Act 1986 to adjust their boundaries to reflect movements in population and to keep them of similar size.
boundary condition	In mathematics, a restriction in a problem. This is sometimes used when pricing options.
boundaryless organisation	Organisation where there has been a deliberate effort to break down boundaries between levels of seniority in an organisation and between the organisation itself and outside parties like customers and suppliers.
boundary rider	Australian term for an employee who attends vast estates dealing with broken fences, water supplies and sick animals.
bound books	Books where the pages are securely held in place. It was once a requirement that all companies must keep their records in bound books or otherwise protected against falsification (Companies Act 1948 s436). A bound book can indicate if a page has been removed. This provision is now replaced by the general duty to keep "adequate accounting records" (Companies Act 2006 s386(1)).
bounded rationality	When there is a limit to the information made available to a decision-maker which prevents a fully informed decision being made.

bounds	In law, boundary to land particularly with regard to trespass.
bounty	Money or other financial benefit conferred on someone, particularly when payable by the Crown.
bourse	French term for exchange where merchants meet. In France, it also means a stock exchange.
boursier	French term for someone who speculates on a stock exchange.
boutique	Shop, from the French word. The word has been used with different shades of meaning. During the 1960s, the term came to be applied to a small shop, particularly one selling expensive clothes. The term then spread to shops in different lines. In the 1980s, the term was also used to a business offering financial services from shop premises.
Bovill's Act	Petition of Rights Act 1860 and other laws relating to partnerships, all of which have now been repealed.
bowdlerise	Remove all material which is regarded as offensive, however mildly offensive, particularly when such removal is not necessary. The term comes from Dr Bowdler who published such a version of Shakespeare's works in 1818.
bowler hat	Hard felt hat with a spherical centre to sit on the head. The term is believed to be the name of the hatter who first made it. The term has been used pejoratively to refer to civil servants and other bureaucrats who traditionally wore such hats.
bow out	To leave an organisation or similar because the person believes that the time has come for him to leave.
Bow Street Runners	Early police force started in Bow Street near Covent Garden in early 18th century, and absorbed into Metropolitan Police by 1839.
box	(1) Square on a form for someone to place a tick, cross, number or similar mark. (2) Term sometimes used for book in the sense of investments held by an investment manager for clients. (3) In finance, storage location for security documents.
box and whisker	Diagram used to illustrate distribution in statistics. The box comprises the main area, such as the two central quartiles. The whiskers are lines drawn from the side indicating minimum and maximum values. The shape of a this diagram is thus:



- box cars** In gambling, slang for the point of 12 in craps dice.
- box-day** One of two days in a year where a legal complaint could be deposited in a box in a Scottish court for a judge to consider privately. The practice was established in 1690.
- boxer** An boxer may retire on a personal pension at the age of 35, provided:
- the person had the right by 5 April 2006,
 - the right was unqualified in that it needed no other person to consent,
 - the right was set out in the governing documentation of the pension scheme by 10 December 2003.
- (SI 2005 No 3451, as explained in RPSM 03106035).
- Boxing Day** Public holiday celebrated on 26 December, unless this day is a Sunday, when it moves to Monday.
- The term comes from the medieval tradition of giving boxed presents to workers or those of a lower class on this day.
- Box-Jenkins model** Method for **time-series forecasting** in economics.
- box number** Reference number widely used by Post Offices and in classified advertisements, simplifying communication from the public.
- box office** (1) Place where tickets are acquired for concerts and other events.
(2) Yield or expected yield of such event.
- box-office poison** American expression for a production that is regarded as bound to fail.
- boxplot** Name sometimes given to **box and whisker** diagram.
- box spread** Combination of **call options** and **put options** held at the same exercise price.
- box ticking** Pejorative term for **compliance** work which is seen as merely ticking boxes on a prepared form rather than taking a more considered look.
- boy** For national insurance, a male person under the age of 18.
- Before 1975, there were separate national insurance rates for men, women, boys and girls.
- Boy Bishop token** Token minted between 1485 and 1530 for the church in East Anglia. A boy was dressed as a bishop. He gave tokens to pilgrims in return for money for the church.

boycott	Organised protest of not using a particular product or products from a particular country, as a means of influencing policies. The term comes from Captain Boycott, an Irish farmer in Mayo who in 1880 was the first victim of this protest. Farmers agreed not to buy farms whose tenants had been evicted.
boys in blue	Old colloquialism for the police.
bpd	Barrels per day , standard measure of oil production.
BP	Employee's basic pay, as used in the formula in Income Tax (Earnings and Pensions) Act 2003 s402D(1). [It is also the name of an oil company.]
BPEX	One of five levy organisations in the Agriculture and Horticulture Board . BPEX imposes a levy on pig carcasses.
BPI	Bits per inch. A measure of the storage capacity of a length of magnetic tape for computers.
BPOT	Business property occupation tax , charged in Gibraltar.
BPP	Budget Payment Plan . [These letters are also the name of a training company.]
BPR	(1) Business property relief , from inheritance tax. (2) Business process re-engineering .
BPRA	Business premises renovation allowance .
BPS	(1) Basic Payment Scheme , for farmers under the common agricultural policy (2) British Psychological Society.
bps	Bits per second , the speed at which a computer works.
BPSS	Business Payment Support Service .
BPT	Basic Payroll Tools.
BPTC	Bar Professional Training Course.
BR	(1) Tax code used in the PAYE system . It denotes that the person pays income tax on all his income without any personal allowance. This code is used in many situations, such as (before 6 April 2011) for a second job, where the personal allowances are given in the tax code for the first job. (2) Bankruptcy Reports, series of US law reports.
Br	Abbreviation: Belarus rouble.

brachium civile	Latin: civil arm.
bracket	Statistical area which defines a group, as in “highest earning bracket”. (See also brackets.)
bracket creep	Another term for fiscal drag .
bracketed duty	Duty which is charged at a fixed rate for a particular range of values. The term was particularly used for stamp duty. Council tax is a form of bracketed duty.
bracket indexation	Change in the upper and lower limits of a tax band to reflect inflation.
brackets	<p>Accounting</p> <p>There is a convention that a number in brackets has the opposite meaning, so (4) represents –4 rather than +4.</p> <p>In accounting, brackets have a similar meaning. So (-4) in a list of expenditure means an <i>income</i> of £4.</p> <p>Algebra</p> <p>In algebra, brackets indicate a function which must be considered first. So $4 \times (x + 1)$ where x is 3 means 4 times $(3 + 1)$ which is 16. If the expression were taken to mean $4x + 1$, the value would be 13.</p> <p>Sometimes it is necessary to have brackets within brackets. Here it is usual to use brackets of different styles, usually adopting the sequence:</p> <p style="text-align: center;">() [] { }</p> <p>Boolean logic</p> <p>In Boolean logic as used on computer search engines, brackets commonly indicate a range of acceptable answers. So:</p> <p style="text-align: center;">accounting + (concepts, conventions, practices)</p> <p>would produce a list of items containing the word accounting with one of the words: concepts, conventions or practices.</p>
bracket together	Process of grouping items with similar properties as one item to simplify presentation of financial data.
Bracton	Author of <i>De Legibus et Consuetudinibus Angliae</i> , the laws and customs of England, written during the reign of Henry III.
Bradbury	A £1 note issued by the Treasury between 1914 and 1928. The notes were signed by J S Bradbury, joint permanent secretary at The Treasury who organised their introduction.
Bradford City Centre Urban Regeneration Company Ltd	Body designated as an urban regeneration company under Income and Corporation Taxes Act 1988 s79B (Urban Regeneration Companies (Tax) (Designation) Order SI 2004 No 439 para 2).
Bradford factor	Attempt to measure the disruption of frequent short-term absences from work. The score is calculated as:

Bradford factor = $S \times S \times D$

where S is the number of absences in the last 52 weeks, and D is the number of days absent.

So if someone was absent 10 times in the year for a total of 13 days, their Bradford factor score would be:

$$10 \times 10 \times 13 = 1300.$$

Bradshaw	Railway guide published between 1839 and 1961.
Brady bond	Bond issued by the World Bank to help refinance less developed countries. It is named after US Treasury Secretary Nicholas Brady (1930-) who devised it in 1989 as a means of letting South American states refinance their debts.
Brady Commission	US presidential commission to investigate the 1987 stock market crash. It was chaired by Treasury Secretary Nicholas Brady.
Brady Plan	Plan in which the World Bank and IMF attempted to improve the debt funding for less developed countries in the late 1980s.
Braille	System of raised dots by which text can be read by blind people. Books printed in Braille may be zero-rated for VAT (VAT notice 701/10).
brain death	Cessation of activity in the brain. Doctors now regard this as a better indication of the point of death in preference to the previous belief that death was when a heart stopped beating. It is now possible both to keep a person alive after their heart has stopped beating, and to keep a heart beating independently of a body.
brain drain	Term coined in the 1960s for the phenomenon of intelligent workers leaving the UK to earn greater sums overseas, often the USA.
brain fag	Colloquialism for the feeling that the brain has been exercised too much and needs a rest.
brainstorm	Process of formulating a policy by having a group of people suggesting possible ideas, including unusual and incomplete ideas. The idea is that other people can pick up an unusual or incomplete idea and turn it to something viable.
branch	Local office of an organisation, such as a supermarket or bank.
branch accounts	Financial records kept by a branch of a large organisation, such as a supermarket or bank, and which are reported to the head office. In practice, few branches now keep accounts as such, but simply complete forms for the head office to keep accounts.
branch and bound technique	Management mathematics method for solving sequential problems. The method was developed in 1963 to determine the best routes for travelling salesmen. It has been extended to determine other topographical problems

such as the best locations for warehouses.

branch book method	Method used by US tax authorities for taxing the profits of a US branch of a foreign bank.
Branch Direct	Service provided by Royal Mail for regular transmission of items between set locations.
branch manager	Person in charge of a branch of a bank, company or firm.
branch office	Local subsidiary office of a main office.
branch of knowledge	In relation to VAT on professional subscriptions, this is defined in VAT leaflet 701/5.
branch or agency	In relation to capital gains tax and UK representatives of non-UK taxpayers, "means any factorship, agency, receivership, branch or management" (Taxation of Capital Gains Act 1992 s271D(1)).
branch rule	In international taxation, a rule in some tax jurisdictions that treats a foreign branch as if it were a separate company.
branch tax	In international taxation, a charge made by some jurisdictions in addition to corporation tax or its equivalent on the notional dividends that would have been paid by a branch if it were a subsidiary. Branch tax is now excluded from scope by the OECD model treaty.
brand	<p>Name given to a product or range of products. It is usually identifiable by name and style.</p> <p>A brand name has a value which may be regarded as an intangible asset for accounting purposes.</p>
brand dilution	Weakening the value of a brand name by overuse.
brand extension	Widening the range of products sold under one brand name.
brand extension strategy	Marketing term for the process of using an existing brand name for a new product or service.
branding	Including a mark or logo on a product to identify its company of manufacture. The term comes from the practice of a farmer branding his cattle or sheep with a mark to indicate his ownership of them.
brand name	Name given to a particular product or service. A name has legal protection and may acquire a value independent of its physical form as stock.
brand new	Completely new, unused. This distinguishes new from referring to a used item which is first used in a particular context. A brand new car has come from the showroom. A new car may be a recently-acquired second-hand car.

brand repositioning	Marketing term for an attempt to change consumer perceptions of a particular brand.
brandy	Spirit distilled from wine. It is an alcoholic liquor subject to duty.
brass	(1) Alloy of copper and zinc. The ratio varies according to purpose. Occasionally small amounts of other metals may be added. It is an alloy with many uses based on its strength, durability, low friction and lustrous gold appearance. It was used for just one British coin, the 12-sided threepence coin minted between 1937 and 1967 (and for a proof 1970 coin). (2) Slang term for money.
brass farthing	Smallest amount possible. A farthing is the smallest coin generally minted in the UK. They have never been minted in brass, but in silver, copper or bronze, all of which are more valuable than brass. The term is most commonly used in the negative as in "not a brass farthing".
brass hat	Colloquialism for a staff officer or senior person. The expression comes from the special brass helmets which are sometimes worn on ceremonial occasions.
brass player	A person who plays a brasswind musical instruments, such as trumpet, trombone, horn or tuba (but not a saxophone). Before 6 April 2006 (when the normal pension retirement age was 60), such a person was allowed to retire on a full pension at the age of 50.
brass tacks	Colloquialism for details of a business deal, as in the expression "let's get down to brass tacks". The brass tacks are believed to be such markings on the counter of a tailor's, used to measure cloth when a sale had been completed.
B rating	Description for a sponsor of foreign workers who wish to work in the UK. It is a transitional rating when a sponsor first joins the register of sponsors kept by the Home Office's UK Border Agency. It should lead to the permanent A rating .
braze	Coat with brass. The word now commonly lingers in the old past participle "brazen" where it often means unashamed or cheeky.
Brazil	South American republic. Its currency is the real of 100 centavos. The UK has no comprehensive tax treaty, but has agreements relating to shipping and air transport of 1967 and 2005.
BRC	(1) Business Records Checks. (2) Budget Responsibility Committee.
BRD	Days in a chargeable period, as used in the formula in Finance Act 2008 s80(10) and 83(3).

breach	Failure to do something which is legally required.
breach of a relevant Customs obligation	This term is defined in Taxation (Cross-border Trade) Act 2018 s6(6).
breach of close	Old expression meaning to trespass on land.
breach of contract	<p>When a party to a contract fails to do something required by the contract. The other party may sue for damages. In some limited cases, the other party may instead sue for specific performance.</p> <p>In terms of tax deductibility, in "civil damages are generally allowable. But where the expenditure in fact serves a dual purpose it is disallowed" (BIM37960). A leading case is <i>Knight v Parry</i> [1972] 48TC580.</p>
breach of privilege	Contempt of the rules of Parliament.
breach of promise	<p>Failure to marry a person after promising to do so.</p> <p>Such an action arose from common law provisions relating to the law of contract. Such provisions have since 1970 been replaced by provisions which deal with property when an engaged couple separate.</p>
breach of record-keeping requirements etc in relation to transactions in gold	For VAT, a specific offence under Value Added Tax 1994 s69A.
breach of record-keeping requirements imposed by directions	For VAT, a specific offence under Value Added Tax 1994 s69B.
breach of regulatory provisions	For VAT, a specific offence under Value Added Tax 1994 s69.
breach of walking possession agreements	For VAT, a specific offence under Value Added Tax 1994 s68.
breach of the peace	Common law term for any crime or other offence whatsoever. It allows for the arrest of a person committing an offence or apparently about to do so. The term has declined in relevance as more specific laws have developed.
breach of trust	Improper activity by a trustee or similar person who is required to exercise good judgment on behalf of someone else. Such a breach can make the trustees personally liable for any loss.
bread	Rhyming slang for money. The term is an abbreviation of "bread and honey".
breadcrumbing	Business jargon for making one job from many small odd jobs.
breadline	<p>Level of income which is barely sufficient to support life.</p> <p>This is a back-formation from the expression on the breadline which means being in a queue for bread.</p>

bread study	Old term for study taken up solely to allow a person to earn a living, rather than as general education or for recreation.
breadth	In investment, the number of securities involved in a rally or decline at any one time.
breadwinner	Person in a household who earns the main income.
break	(1) Period of rest between periods of work. (2) Sharp fall in share prices. (3) Cause a bank to fail. (4) Involuntary ending of an agreement. (5) Force into bankruptcy.
break a bond	Dishonour a bond.
breakage fee	Fee paid by a customer to a lender to escape from an interest agreement (such as an interest rate swap) that has become onerous.
breakages	Loss sustained by assets becoming broken. If a customer breaks an item, such as dropping a vase in a shop, the customer is only liable to reimburse the <i>cost</i> of the item, not its sale price which can be twice as much. This is because there is no contract with the shop.
breakaway union	Trade union which has broken away from an existing one. The general policy of the TUC is not to recognise a breakaway union.
break bulk	In shipping, to open the hold and start to take out or use the cargo.
break charge	Charge paid by a borrower to a lender to be released from a loan before the interest rate rises. The tax implications are set out in Income Tax (Trading and Other Income) Act 2005 s58. They are also discussed in the Inspector's Manual at BIM 45820.
break clause	Clause in a contract which ends the contract if a defined event happens. Such clauses are often found in fixed-term tenancy agreements.
break costs	Costs incurred in extricating oneself from an unfavourable financial arrangement. Such costs are commonly incurred when a financial arrangement, such as a swap, has not gone as expected.
breakeven	The point at which a business or product makes neither a profit nor a loss.
breakeven analysis	Process of calculating the breakeven point .
breakeven point (BEP)	How many sales of an item are sufficient to pay for its fixed costs . For example, a widget requires £10 worth of material and £5 worth of labour, and sells for £35. The fixed costs of selling the widget (development,

marketing, overheads etc) are £20,000. The widget is said to have a **direct cost** of £15 (materials + labour). Each sales makes a **contribution** to overheads of £20 (£35 - £15). So the breakeven point is when 1,000 units are sold ($£20,000 \div £20$).

The breakeven point may be expressed algebraically as:

$$\text{BEP} = \frac{\text{fixed costs}}{\text{unit price} - \text{unit direct cost}}.$$

breakeven chart	In management accounting, a graph that shows sales and costs against a range of activity. Breakeven is the point where the two lines cross.
breakeven point	In management accounting, the amount of sales or equivalent activity which equals costs, so that the business makes neither profit nor loss.
break even rate on warrant	The annual percentage growth rate required an underlying investment to break even on its warrant.
breakfast table duties	Name collectively given to excise duties historically charged on sugar, tea, coffee and cocoa. These duties were abolished in 1962.
break forward	Forward contract in the international money market which may be unwound at a predetermined rate. The holder can thus benefit from a currency movement in his or her favour, but sells some of the upside advantage to restrict the risk to the predetermined rate.
break ground	Commence a new project, as a settler did on new land.
break-in	Illegal entry to a building, such as to steal money.
breaking a leg	In finance, closing out one part of an arbitrage or spread transaction. [The term "break a leg" is also a wish of good luck for a theatrical performer.]
breaking and entering	Criminal offence of breaking a door, window or similar to gain illegal entry to a building. It is an offence in itself, even if the person steals nothing or does no damage once inside.
break out	In investment, when a share price starts trading above its usual level.
break point	Figure at which point a body must comply with a set of regulations.
break starch	Pointless objective or piece of work, such as those sometimes found in the armed forces. The term is originally an American military colloquialism for the extreme lengths soldiers went to so that their trousers remained stiffly starched with an unbroken crease.
break-up value	Value of an asset based on its components and materials rather than as an asset. It is usually much less than its net book value to a business which is a going concern . The term is also used for the value of a company's operations if

considered separately.

breastfeeding	In general, it is an offence to stop a person feeding milk to a child in a public place or licensed premises in Scotland. This includes breastfeeding (Breastfeeding etc (Scotland) Act 2005 s1.)
breast wall	Retaining wall in a building.
breath test	Requirement to give a specimen of breath to see if a person has too much alcohol in their body to be able to drive safely.
breathalyser	Device to measure the amount of alcohol in a person's breath.
breathing space	Time inserted into a project or plan to allow people an opportunity either to reflect on what is proposed, or just to have a break from considering it.
breath test	Preliminary test given by the police for a driver suspected of driving under the influence of alcohol.
Brechon Laws	Ancient laws of Ireland which applied to mid 17th century.
breeches money	Slang term for coins issued during the Commonwealth. The name comes from the image of two shields which look like a pair of breeches.
Breedon Task Force	Body that produced the report <i>Boosting Finance Options for Business</i> in 2012. It made recommendations on how smaller businesses could obtain equity finance.
Brent crude	Price of a barrel of crude oil from the Brent and Ninian areas of the North Sea. The price is determined from 15 oilfields. This is a benchmark price as about two-thirds of the world's oil is valued on this basis. The API gravity of Brent crude is 38.3 degrees. It is a light oil containing a small amount of sulphur.
Brest	Town in France. Someone sailing their own craft to a port south of Brest may take duty-free stores on board (Customs notice 8).
Bretton Woods	International monetary agreement reached in 1944 and which lasted until 1971. The name comes from the place in New Hampshire, USA where the agreement was reached. Its main provision was fixed exchange rates with devaluation only permitted when there was a fundamental disequilibrium in that country's balance of payments. The system was underpinned by temporary financing facilities to assist countries deal with short-term problems. The system collapsed in 1971 when a series of large US deficits meant that the dollar could no longer be converted to gold at the fixed price of \$35 per ounce. However, two institutions created by Bretton Woods survive: the International Monetary Fund and the World Bank .

breve	Latin: a short thing, description of a short writ.
brevet	Military commission entitling its holder to assume a rank greater than his pay grade.
brevet d'invention	French: patent.
brevet�	French: patented.
breviae testata	In law, an early form of a deed of conveyance.
breviae	Memorandum on the contents of a will.
brevis manu	Latin: with a short hand; off-hand.
brevitatis causa	Latin: for the sake of brevity.
brewery	Place where liquor is made.
brewery conditioned beer	Term used to determine how to measure the alcoholic strength of beer for beer duty .
brewery loan	Loan from a brewery company to an organisation. If made to a members' club, it may be taxable as is discussed in the Inspectors' Manual at BIM24305.
brewster sessions	Sessions in the magistrates' court where licences are issued to those who sell alcoholic liquor. This function is now administered by local authorities.
Brexit	Term coined in 2014 to refer to possible British exit from the European Union. The term continued to be used when the possibility became reality after a referendum of 23 June 2016 when 51.9% voted in favour of leaving. This required the prime minister to trigger Article 50, which she did on 29 March 2017, beginning a two-year negotiation period.
Brexit�er	Informal term for a person who supports Brexit .
bribery	Offence of offering a bribe . The law is now consolidated in Bribery Act 2010. It is an offence to bribe, to attempt to bribe, or to be bribed. The Act also introduced a new offence of failure to prevent bribery. The offence is described in section 1 of the Act in these terms: “(1) A person (“P”) is guilty of an offence if either of the following cases applies. (2) Case 1 is where— (a) P offers, promises or gives a financial or other advantage to another person, and (b) P intends the advantage— (i) to induce a person to perform improperly a relevant function or activity, or (ii) to reward a person for the improper performance of such a function or activity.

(3) Case 2 is where—

(a) P offers, promises or gives a financial or other advantage to another person, and

(b) P knows or believes that the acceptance of the advantage would itself constitute the improper performance of a relevant function or activity.

(4) In case 1 it does not matter whether the person to whom the advantage is offered, promised or given is the same person as the person who is to perform, or has performed, the function or activity concerned.

(5) In cases 1 and 2 it does not matter whether the advantage is offered, promised or given by P directly or through a third party.”

A bribe is not tax-deductible as it is a **criminal payment**.

brickfield

Profits from a quarry run as a trade are subject to income tax (Income Tax (Trading And Other Income) Act 2005s12) or corporation tax (Corporation Tax Act 2009 s39).

bricks and clicks

Colloquialism for a business which trades from premises and on the Internet.

bricks and mortar

Term denoting buildings, particularly with regard to their value as a fixed asset.

brick tax

Excise duty introduced in William Pitt's first Budget of 1784 at 2s 6d per 1000 bricks, and 3s per 1000 tiles. The tax was discontinued for tiles in 1833 and for bricks in 1850.

Bridge the Gap

Umbrella charity that provides free tax advice for people on low incomes who need help but cannot afford professional fees. It supports the charities Tax Aid and Tax Help for Older People.

Bridewell

Prison or house of correction, from such an establishment in London which closed in 1863.

bridge

(1) For capital allowances, a bridge is specifically included in the definition of **industrial building**, and from that of plant and machinery (Capital Allowances Act 2001 s22(1) List B).

(2) The word also describes a card game. In 2017, it was held that this was not a sport, as explained under **contact bridge**.

bridge finance

Loan to cover a short-term need.

bridge loan

Another name for a **bridging loan**.

bridging loan

Short-term loan used until other funds become available.

The commonest use of a bridging loan is to buy one property before selling an existing property. A business may seek a bridging loan to fund its operations while awaiting payment from a customer.

The extent to which an employee may claim tax relief as **relocation expenses** is set out in Income Tax (Earnings And Pensions) Act 2003 s284.

bridging pension	Supplementary pension paid to someone before reaching state retirement age. Such a pension usually has a provision that the occupational pension is reduced by the amount of the state pension when the state retirement age has been reached.
bridle path	Highway which may be used by pedestrians, bicycles and horses, but not by other animals or motor vehicles. The law is Highways Act 1980.
Brief	Revenue and Customs brief.
brief	(1) Concise statement, such as a statement summarising a case sent from a solicitor to a barrister. The word is also a verb meaning to give someone background details. (2) Barrister who has been briefed.
briefcase	Light case for carrying documents and similar items.
brigadier	Military rank for the lowest order of general who has command of a brigade.
brigading	The practice of putting all the laws or other provisions in one place rather than spread over several places. Tax regulations are often periodically brigaded. Examples include laws on the reduced rate of VAT and various anti-avoidance provisions.
BrightHouse	Company that sells domestic products on hire purchase, repayable either weekly or monthly for up to three years.
Brighton quickie	Colloquialism for an arrangement to secure a divorce between the 1940s and 1960s when divorce by agreement was not possible. One of the parties, usually the husband, staged what appeared to be an illicit tryst with a professional co-respondent to secure a divorce on grounds of adultery. Some hotels in Brighton became renowned for their co-operation.
brilliant uncirculated standard	Standard for newly minted commemorative coins from the Royal Mint.
bring forward	To carry a sub-total of an account to the next page of a book, or to the next period of account.
bring to book	Force a person to account for their actions.
bring to the hammer	Take to auction.
Briot, Nicholas	English engraver (1580-1646) who considerably improved the quality of British coins in both design and quality of manufacture.
brisk	In investment, description of a period of active trading.
Bristol Tolzey Court	Ancient court in Bristol with wide powers, abolished in 1972.

Britain Strictly, this means England and Wales. **Great Britain** is Britain plus Scotland, and **United Kingdom** is Great Britain plus Northern Ireland.

Britannia

Coin

Bullion coin in gold or silver.



Gold and silver Britannia coins

The gold coin was introduced in October 1987 in four values containing 1 oz, ½ oz, ¼ oz and 1/10 oz of gold with a legal tender value of £100, £50, £25 and £10 respectively.

The silver coin was introduced in 1997 in the same weights but with legal tender values of £2, £1, 50p and 20p. All Britannia coins are worth many times their legal tender values.

From 2015, there is also a definitive Britannia made of base metal and legal tender for £2.

The coins are exempt from capital gains tax and zero-rated for VAT, but are not exempt from inheritance tax.

Design

Personification of Britain as shown on the reverse of many coins, including the Britannia coin.

The image was first used on Roman coins produced under emperors Hadrian and Antoninus Pius to commemorate their victories in Britain. She is usually depicted a woman holding a spear and shield, and seated on a rock. On some Britannia coins, she is depicted standing.

Britannia Airways

Leading tax case on the right to make provisions in accounts used to determine taxable profits.

The case's full citation is *Johnston v Britannia Airways [1994] STC 763*. The decision was confirmed by Inland Revenue in TAX 10/95.

The company had to incur significant expenditure servicing jet aircraft every third year. It accrued this expenditure over the three annual accounting periods. HMRC unsuccessfully challenged this for years 1 and 2, on the grounds that the expenditure had not been incurred.

It was held, and is now accepted, that this was proper accounting.

Britannia groat

Groat (fourpence coin) as introduced by William IV and minted until 1888. It depicted a seated image of Britannia.

- British** Pertaining to the **United Kingdom**.
- British Accounting Association (BAA).**
Association whose aim is to promote accounting research and education in the UK.
- British Antarctic Territory** Part of the Antarctic area which is recognised under the Antarctic Treaty of 1961, though Chile and Argentina also claim part of the area. It was recognised as a British Overseas Territory in 1962. It has no indigeneous population but has populated research stations.
- British Bankers Association (BBA)**
London-based organisation formed in 1919 to represent the interests of all bankers.
- British Business Bank** Body whose goal "is to change the structure of finance markets for smaller businesses, so these markets work more effectively and dynamically. This will help businesses prosper and build economic activity in the UK" (bank's website).
The bank was formed in September 2012 with £1 billion of government funding. It remains government-owned. It is based in Sheffield. It took over several previous government schemes such as the Small Firms Loan Guarantee.
- British Chamber of Commerce** Organisation comprising a national network of local Chambers of Commerce spread throughout the UK. There are also a number of British Chambers of Commerce in other countries. Chambers of Commerce provide a range of business services for members.
- British citizen** Person who has the right to live in the UK permanently, and who may leave and re-enter at will.
British citizenship is usually acquired by birth, but can also be acquired by adoption, descent, marriage, registration or naturalisation. For these purposes, the UK includes the Isle of Man and the Channel Islands.
- British Commonwealth** Former name to what is now known simply as the **Commonwealth**.
- British compounded spirits (BCS)**
"Means spirits which have, in the United Kingdom, had any flavour communicated thereto or ingredient or material mixed therewith, not being methylated spirits" (Alcoholic Liquor Duties Act 1979 s4(1)).
Guidance on their excise duty treatment is given in Customs leaflet 41.
- British crown** For coins, any crown issued in Britain, particularly the five-shilling gold coin of 1604.
- British Dental Association (BDA)**
Professional body for dentists, established in 1880.

British dependent territories citizenship

State of being a citizen of a **British dependent territory**. This was introduced by British Nationality Act 1981.

British dependent territory

One of the territories so designated.

The current list comprises Anguilla; Bermuda; British Antarctic Territory; British Indian Ocean Territory; Cayman Islands; Falkland Islands and dependencies; Gibraltar; Montserrat; Pitcairn, Henderson, Ducie and Oeno Islands; St Helena and dependencies; the sovereign base areas of Akrotiri and Dhekelia; Turks and Caicos Islands; and Virgin Islands.

Hong Kong ceased to be a British dependent territory on 30 June 1997 when its sovereignty returned to China. St Christopher and Nevis ceased to be a territory on 18 September 1983 when it became an independent Commonwealth country.

British disease

Term coined in the 1960s and 1970s to refer to the high incidence of strikes and other industrial unrest which made other countries reluctant to trade with Britain.

British Empire

The empire formerly controlled by Britain. It started in the 15th century. By 1921, it controlled one quarter of the world's land and one quarter of its population. After the second world war, a process started of granting independence to members, most of whom are member of the **Commonwealth**. The remains of the Empire comprise 14 **British overseas territories**.

British extraterritorial jurisdiction

Application of British law to a person with British nationality who is living in another country.

British film

Film which meets the criteria for a special tax relief, as certified by the Secretary of State under Films Act 1965 Sch 1. This definition is used for film tax relief by the provisions of Corporation Tax Act 2009 s1197.

This is achieved by the film scoring at least 16 points out of a maximum of 28 as detailed in SI 2007 No 1050.

British Franchising Association (bfa)

A "voluntary self regulating governing body for franchising" (bfa website). The organisation was formed in 1977.

British Indian Ocean Territory (BIOT)

Group of islands in Indian Ocean under British control. It now has no indigenous population but accommodates military personnel. Its currency is the US dollar.

British Insurance and Investment Bankers Association

Representative body formed in 1988 from a merger of smaller bodies.

British Islands	“The United Kingdom, the Channel Islands and the Isle of Man” (Interpretation Act 1978 Sch 1).
British Library	A national library governed by British Library Act 1972.
British Museum	This body is specifically exempt from capital gains tax (Taxation of Capital Gains Act 1992 s271).
British national	Person who has a form of British status of which there are six: <ul style="list-style-type: none">• British citizenship• British overseas citizenship• British overseas territories citizenship• British protected person• British subject• British national (overseas).
British National (Overseas)	Form of British nationality given to those who were British dependent territories citizens of Hong Kong before 1 July 1997.
British Olympic Association	Company limited by guarantee to oversee the London Olympics of 2012.
British Overseas Citizenship	One of three forms of British citizenship introduced by British Nationality Act 1981 with effect from 1 January 1983.
British programme	One of the conditions for television tax relief, as explained in Corporation Tax Act 2009 s1216CB.
British protected person	Class of persons so defined by British Nationality Act 1981 or Solomon Islands Act 1978.
British Red Cross	Charity formed in 1863 to provide impartial worldwide humanitarian relief. There are equivalent organisations in other countries.
British subject	Form of British nationality that has been restricted since 1983.
British Tax Cases (BTC)	Publication of tax cases produced by CCH Editions from 1982.
British Tax Review (BTR)	Journal published from 1956 by Sweet & Maxwell. It was originally quarterly but is now two-monthly. It contains news, articles, case reports and other commentary relating to tax.
British video games	For the purposes of video games tax relief, this term is defined in Corporation Tax Act 2009 s1217CB.
British Virgin Islands (BVI)	British territory in Atlantic Ocean. Its currency is the US dollar.
BRL	ISO code for Brazil real.
BRMA	Broad rental market area.

BRO	Bankruptcy Restriction Order.
broad	Gold coin minted in 1656 depicting Oliver Cromwell.
broadbanding	In human resources, a pay structure that has a few pay bands that contain narrower pay bands.
broadcast	In relation to denial of orchestra tax relief, "means broadcast by any means (including television, radio or the internet)" (Corporation Tax Act 2009 s1217PA(4)).
broad liquidity	Amount of money issued by a central bank plus new money created by lending activities. Broad liquidity is often used by investors and analysts to predict inflation .
broad money	Common name for the M3 or M4 measure of the money supply.
Broadmoor	Hospital for the criminally insane near Camberley, Berkshire.
broad rental market area (BRMA)	An area for which market rents are determined. This is used for the local housing allowance element of housing benefit .
broad tape	Old term for the wider ticker tape once used for carrying prices and background information on securities and futures. The term is still sometimes used to mean such information.
broadway	American gambling term for an ace high straight.
brocage	Brokerage, particularly marriage brocage (which is illegal).
brock	Food scraps as fed to pigs.
brockage	For coins, a mis-strike when a previous coin is stuck in the machine and makes an image on a second coin.
broiler house	Such a property may qualify for agricultural property relief from inheritance tax if they are "a subsidiary part of the purpose of an overall agricultural activity carried out on the land" (<i>Williams v CIR [2005] STC 783</i>).
broke	Colloquialism for having no money.
broken limb	For VAT, this is regarded as a temporary disablement. As a consequence it cannot benefit from the zero-rating for supplies to the chronically sick or disabled (VAT notice 701/7).
broken period	A non-standard period for a particular financial transaction, particularly in foreign exchange .

broker	Person who deals on some else's behalf, particularly in the buying of shares and other securities. In the context of controlled foreign companies, the term "includes any person offering to sell securities to, or purchase securities from, members of the public generally" (Income and Corporation Taxes Act 1988 Sch 25 para 9(2)).
brokerage	Payment for the services of a broker .
broker-dealer	Securities trading firm which combines the function of a stockbroker with that of a dealer who acts a principal on his own account. Such arrangements became possible after Big Bang in 1986.
brokered CD	A contract for difference for a large amount sold by a bank to a broker who divides it into parcels for his clients.
broker's report	Bulletin written by a stockbroking firm for circulation to its clients, providing analysis and guidance on companies as potential investments.
broker to broker	Financial transaction between two firms neither of which is registered as a market maker and where neither is a designated fund manager.
bronze	Alloy of copper and tin. It was used to make "copper" coins between 1860 and 1992.
bronzed	Description of a commemorative or proof copper coin that is coated with a layer of bronze to improve its appearance.
broo	Scottish term for a liquor which is produced by boiling.
Brostudien	German term for the studies by which a person intends to earn his living. It is German for bread studies .
brothel	Place used for prostitution. Although it is a criminal offence to run a brothel or let premises for such use, it has been held that profits are taxable.
brother-sister companies	Companies which have the same parent company. This term is used in USA. In the UK, such a company would usually be called a sister company or fellow subsidiary.
brought forward (b/fwd)	Sub-total from a previous page in an accounts book or ledger. In traditional bookkeeping, it is the first entry on one page and the last entry on the immediately previous page.
brought forward allowance	In relation to residence nil rate band for inheritance tax, this is the figure as calculated in Inheritance Tax Act 1984 s8G as inserted by Finance (No 2) Act 2015 s9.
brought into account	Term describing an event that is reflected in accounts. For tax, the term is given a specific meaning in Finance Act 1989 s83A in relation to insurance companies.

In relation to allowability of expenses of an investment company,
"means brought into account in —
(a) the company's profit and loss account or income statement, or
(b) a statement of total recognised gains and losses, statement of
changes in equity or other statement of items brought into account in
calculating the company's profits and losses for accounting purposes"
(Corporation Tax Act 2009 s1255(2)).

- brown** Old colloquialism for a copper coin.
- brown envelope barrier** The psychological state when someone cannot bring themselves to open an official envelope from HMRC.
The term was used by Office of Tax Simplification in relation to the psychological cost of tax complexity, in their Notice of 18 June 2015.
- brownfield** Area of land that has already been developed, as against greenfield which is virgin land. Housing and Planning Act 2016 requires local authorities to register brownfield sites for future residential development. Owners of such land need to ensure that business property relief from inheritance tax is not thereby lost.
- Brown, George** English Labour politician (1914-1985) who was deputy leader of the Labour party from 1960 to 1970, and was acting leader from 18 January 1963 to 14 February 1963.
- Brown, Gordon** Scottish Labour politician (1951-) who was Chancellor of the Exchequer from 2 May 1997 to 27 June 2007 in the government of Tony Blair whom he succeeded as prime minister until 2010.
His ten years in office was the longest since Lord North (1767-1782). His Chancellorship coincided with a period of world economic growth. He reduced corporation tax and income tax, introduced tax credits and made several tax innovations that he later reversed.
He was Shadow Chancellor from 24 July 1992 to 2 May 1997.
- browser** A type of program which enables the user to connect to and view pages on the Internet. Microsoft Internet Explorer is the most frequently used browser.
- BRP** **Biometric residence permit.**
- BRRD** Banking Recovery and Resolution Directive.
- BRS** Business rates supplement.
- BRU** **Bankruptcy Restriction Undertaking.**
- Brunei** African state. Its currency is the **Brunei dollar** of 100 sen, though Singaporean currency is also widely used. The UK has a double taxation agreement of 1950, amended by supplementary agreements of 1968 and 1973.

Brussels	Capital of Belgium. It is where the European Commission meets and so is sometimes used to mean the European Union.
Brussels Convention	International convention of 1968 that determines which courts have jurisdiction in international disputes.
Brussels definition	System of definitions of goods for European customs purposes. The system has been widely copied by non-European countries as the definitions are well thought-out, and common definitions assists international trade.
Brussels Tariff Nomenclature (BTN)	The internationally recognised system of standard classification of goods for world trade purposes. The nomenclature develops a system of amending codes as primary materials move to finished goods. In 1959, it was renamed Customs Co-operation Council Nomenclature .
brutum fulmen	Threat which cannot be put into effect. The term comes from Pliny.
BS	British Standard.
B/S	Balance sheet.
B&S	Best and Smith's Reports, law reports of the Queen's Bench Division of the High Court from 1861 to 1870.
BSD	ISO code for Bahamanian dollar.
BSE	Bombay Stock Exchange, the main stock exchange in India.
BSE index	Index of the Bombay Stock Exchange.
Bs F	Abbreviation: Bolivar fuerte, currency of Venezuela.
B-shares	Category of shares which have different voting rights from ordinary shares and A-shares . Traditionally, B shares have voting rights greater than other shares and are held by the founders and his family, however this should never be assumed. In the USA, B-shares <i>are</i> of less importance than ordinary shares.
BSI	British Standards Institution.
BSL	British Sign Language.
BSP	Bereavement support payment.
BSR	Benchmark scale rate.
BST	British Standard Time.

BSUS	Business Start-Up Scheme.
BSV	Balance sheet value. “BSV is the balance sheet value of the relevant plant and machinery and is to be found by adding together the amounts (if any) which would be shown in respect of it in the appropriate balance sheets of C [company] or P [purchaser]” (Capital Allowances Act 2001 s212L(1)).
BSVP	Balance sheet value pool. “BSVP, in relation to a pool, is so much of the BSV as, on a just and reasonable apportionment, it is appropriate to attribute to the pool” (Capital Allowances Act 2001 s2202O(3)).
Bt	Abbreviation: baht, currency of Thailand.
BTA	Business Tax Account.
BTAN	Bons à taux annuel nominalisés , a French coupon-bearing fixed rate government bond.
BTC	British Tax Cases.
BTG	British Technology Group.
BTI	(1) Binding Tariff Information (2) British Trade International
BTN	(1) ISO code for Bhutan ngultrum. (2) Brussels Tariff Nomenclature.
BTP	British Transport Police
BTR	British Tax Review.
BTW	(1) Belasting over de Toegevoegde Waarde, Dutch for “value added tax”. The term may be seen on invoices from Belgium or Netherlands. (2) Text abbreviation: by the way.
Buba	Nickname of the Bundesbank , the central bank of Germany.
bubble	Something which has size but no real substance and will therefore soon burst. Typically this refers to a company whose share value is sustained by sentiment and unsupported by any value, such as assets and goodwill . The value of bubble shares is caused by a buying frenzy where investors rush to buy shares before the price increases further. Buyers of bubbles can make large profits if they sell the shares before the bubble bursts. If the bubble bursts first, they lose most of their investment. However, most buyers do not recognise that the shares are bubbles in the first place and acquire them under the herd instinct . The most famous bubble is the South Sea Company in 1720. More

recent examples include housing companies in the early 1980s and **dot.com** companies in the late 1990s.

Bubble Act

Law passed in 1719 to check the creation of bubbles. The law proved ineffective and was repealed in 1825.

bubble memory

In computing, memory comprising minute amounts of moving pockets of magnetism.

Buchanan Report

Report on transport written in 1963 by Colin Buchanan. Its title is *Traffic in Towns*. It predicted a threefold increase in cars between 1953 and 1980; it actually just doubled. It led to road planning.

buck

Colloquial term for the US dollar.

bucketing

Colloquialism for the practice of taking the opposite side of a client's order into the broker's own account.

bucket shop

Place where something may be bought more cheaply than from its usual source, often because it is not genuine.

The term originally applied to American gambling dens. It was then applied to places where airline tickets could be bought cheaply. The term now usually refers to a place where **securities** are offered for sale at a price less than that quoted by a recognised **stock market**.

Bucket shops now usually offer worthless or even non-existent shares. These are often **touted** using **boiler room** high pressure sales techniques.

buckshee

Free, without charge. This is an Anglicised form of **backsheesh**.

buck stops here

Expression which means that it is not possible to blame anyone else. The person cannot **pass the buck**.

The term was coined by US President Harry S Truman who had a sign saying "the buck stops here" on his desk.

bucolic

Pertaining to looking after cattle.

buddy system

System of initiation whereby a new person is assigned to an experienced person who assists them in the day-to-day aspects of their duties.

Bud Jones

Type of moulded plastic **chip** used in some casinos.

Budget

Annual or more frequent statement by the **Chancellor of the Exchequer** setting out government's proposals for taxation and spending.

Typically it is held in the Spring, often in March. It includes a statement of the nation's finances with details of expenditure and any changes in the tax system. The Chancellor is immediately followed by the Leader of the Opposition and then the leader of the third largest party in the House of Commons. This leads to a debate over several days of the proposals.

Budget proposals are framed in draft legislation which goes to a committee where amendments may be made. Eventually a Finance Act is

produced to enact the Budget changes.

budget

A statement of expected incomes and expenditure under general headings produced by any organisation from an individual to a group of countries.

A budget should be distinguished from a **forecast** in that a budget is an executive direction as to what should be achieved, whereas a forecast is merely what someone expects to happen. However, this distinction is often not made in practice.

The main types of budget are:

- **fixed budget** where all items are stated;
- **flexible budget** where some items depend on others, such as expenditure on **materials** being dependent on the **sales** for which those materials are used; and
- **zero-based budget** where all items, particularly expenditure, start at zero and must be objectively justified afresh for each budget period. This avoids the practice of simply taking last year's figure and adjusting it for **inflation**. At least that is the theory.

budget account

Bank account for individuals where payments are made sufficient to cover all expenses during the year as they fall due even if this means the account becoming overdrawn for a short period.

budgetary

Pertaining to a budget.

budgetary control

When expenditure is governed by a budget. The opposite is **free spending**.

budgetary policy

When the policy of planning income and expenditure is determined by reference to a **budget**.

budgetary requirements

Income (or possibly expenditure) needed to satisfy the provisions of a **budget**.

budgetary system

In management accounting, a system that serves the needs of management in making judgments and decisions, planning, exercising control, and making effective communication and staff motivation.

Budget book

Publication issued on the day of The Budget given by the Chancellor of the Exchequer which includes a statement about the national economy plus tax and other proposals announced in the speech. The book is also known as the Red Book.

budget committee

Group within an organisation which sets the **budget**.

Budget day

Day on which the Chancellor of the Exchequer presents The Budget in the House of Commons.

budget deficit

Deficit in a budget, particularly of a government, where income is less than expenditure.

“The amount by which government spending exceeds government income during a specified period of time (usually a year). The budget deficit can be split into two key elements:

- the cyclical deficit – this occurs as a result of a downturn in economic activity when tax receipts fall and spending on social security increases. It can be subsequently eliminated by a period of economic growth; and
- the structural deficit – this occurs when government spending exceeds tax receipts. A government can run a structural deficit even if the economy is growing strongly. Consequently, it can only be tackled by reducing government spending or raising taxes. “ (HM Treasury glossary).

budget department	Department in a large store which sells discounted goods.
budget director	Person in an organisation who is responsible for overseeing the budget.
budgeted capacity	An organisation's available output level for a budget period as expressed in the budget. It is expressed in terms appropriate to the area, such as machine hours or man hours.
budgeted fixed overheads	In management accounting, an allocation of fixed overhead costs allocated to units of production in advance.
budgeted revenue	Income which an organisation expects to receive during the budget period .
budget holder	Person who controls expenditure for a cost centre as allowed in a budget, and who must account for that spending.
Budget incidence	Combined effects of a tax increase and equal increase in government spending. The tax element is the positive incidence; the spending is the negative incidence. The net incidence may be determined for different subgroups of population.
budgeting	Practice of a person or business to control expenditure (and sometimes income also) according to a budget . In practice, this is usually done in conjunction with economising .
budgeting advance	For universal credit, an additional sum that is provided as a repayable loan. It is intended to help with such matters as buying furniture for a new home.
budgeting loan	Interest-free loan from the Social Fund to assist a person on means-tested benefits meet a specific expense.
budget lapsing	Practice of removing any unused allocation from a budget. This is often expressed in the aphorism “use it or lose it”. Budget lapsing has the disadvantage of encouraging unnecessary expenditure.
budget law	In international taxation, the instrument by which a country's Budget becomes law. In the UK, this is a Finance Act.
budget-limited	When financial provision is limited by resources rather than need, particularly discretionary payments from the Social Fund.

budget manual	Instructions which accompany a budget stating how the budget is to be met.
Budget Payment Plan (BPP)	Arrangement whereby a taxpayer may make weekly or monthly payments to HMRC towards their tax liability. Payments must be made by direct debit, which can be cancelled at any time. A taxpayer may only join the scheme if all outstanding tax has been paid.
budget period	Length of time for which a budget is prepared.
Budget Responsibility Committee (BRC)	Body that runs the Office of Budget Responsibility .
Budget speech	Speech given by the Chancellor of the Exchequer when presenting The Budget in the House of Commons.
budget variance	Amount by which the actual expenditure on an item differs from the budgeted expenditure. Large variances should be investigated.
Buenos Aires Stock Exchange	Oldest of the four stock exchanges in Argentina. It opened in 1872.
buffer	In finance, any provision designed to provide a measure of protection. An example is an unneeded overdraft facility to protect against accidentally overdrawing.
buffer overdraft	Overdraft facility, usually of a small amount and not otherwise needed, which is designed solely to avoid bank charges if the bank customer accidentally overdraws.
buffer period	Under Rehabilitation of Offenders Act 1974 , period from the end of a sentence to when the conviction becomes spent. As the rehabilitation period runs from sentence or conviction, it is possible for a sentence otherwise to become spent before it has been completed. The buffer period lasts for a period of between 1 and 7 years. This is halved if the offence was committed when the person was under the age of 18.
buffer stocks	In finance, stocks which are acquired when the price is low and held for sale when the price rises.
Buffett Rule	Term coined in USA in 2012 for Paying a Fair Share Act 2012. The name comes from multi-billionaire investor and philanthropist Warren Buffett who proposed that anyone earning more than a million dollars a year should pay at least the same percentage of tax as the average American, and not be able to reduce the tax bill with reliefs. The Act failed to become law.
bug	A mistake in a system or computer program. Originally known because insects, real bugs, sometimes allegedly got caught in punch cards or machinery and caused them to malfunction.

bug bounty	Fee paid to a hacker employed to identify a weakness in a computer's security software.
bug letter	<p>Standard business letter to a consumer which over-represents the seriousness with which a complaint has been taken.</p> <p>The term derives from the reputed story that, in 1955, a man travelling on an American railway was bitten by a bedbug. His complaint received a handsome apology with an explanation of how the company would deal with the problem. The passenger was satisfied until he noticed that the company had mistakenly returned his letter on which someone had written "send this guy the bug letter".</p> <p>There are different versions of this story, some dating it to 1927 or 1889. It is possible that the event happened more than once.</p>
builder's hardware	Material provided for use in construction of a new building. If the building is either a new construction or an adaptation of a listed building, the hardware may be zero-rated for VAT.
builders' merchant	Person whose job is to acquire and deliver necessary building materials to a building site.
builder's skips	<p>Large container placed in a road or on site to collect rubbish while building work or similar is being carried out.</p> <p>A charge may be made for occupying the highway for an unreasonable period (Highways Act 1980 s140A).</p>
build indemnity scheme	Government-backed scheme announced in Autumn Statement 2011 to increase the supply of affordable mortgage finance for new build homes.
building	<p>Definition</p> <p>Any structure assembled on land.</p> <p>For leases of plant and machinery in buildings, the term includes a structure, or part of a building or structure (Capital Allowances Act 2001 s70YI(1)).</p> <p>For riot compensation, a building "includes —</p> <ul style="list-style-type: none">(a) a permanent or semi-permanent structure in the nature of a building (including a caravan or houseboat), and(b) a building in the course of construction" (Riot Compensation Act 2016 s2(5)). <p>Law</p> <p>In law, ownership of the land means ownership of everything on, over and under the land, including buildings.</p> <p>Many rights over land and buildings derive from occupancy rather than ownership.</p> <p>Forms of occupancy and ownership include freehold, leasehold, commonhold, licence, right of way, easement and wayleave.</p> <p>Stamp duty</p>

The purchase of a building often attracts **stamp duty land tax**.

Value added tax

There are many special provisions for value added tax, depending on the nature of the building work.

Many provisions are set out in Value Added Tax Act 1994 Sch 10.

Capital gains tax

For capital gains tax, a disposal of a building may be considered separately from the disposal of the land (Taxation of Capital Gains Act 1992 s23-24).

building and loan association	American body similar to a building society .
building lease	Lease of land, typically of 99 years, where the lessee pays a small ground rent and agrees to erect specified buildings. At the end of the lease, the lessee usually has the right to buy the freehold, failing which ownership of the land and buildings passes to the lessor.
building preservation notice	Notice by a local authority that a building is being considered for local listing.
building regulations	“in relation to England and Wales, has the meaning given by section 122 of the Building Act 1984” (Interpretation Act 1978 Sch 1).
building scheme	Defined area of land sold by a single vendor in plots, each of which is subject to the same conditions and restrictions.
buildings insurance	<p>Insurance to compensate for the loss of a building, such as from fire, subsidence or vehicle collision.</p> <p>A building is usually insured for rebuilding cost typically with cover for temporary accommodation. This means that if the building is destroyed, the insurance company will pay for the person or business to be rehoused temporarily while the site is cleared and original building is rebuilt. This is usually a more expensive and less convenient option than simply selling the site to a property developer and buying a new property.</p> <p>Where a loan is secured on property, as in a normal mortgage, the lender will usually insist on adequate buildings insurance.</p> <p>The Royal Institute of Chartered Surveyors (RICS) has produced a calculator on its website on how to calculate house rebuilding costs.</p> <p>As with all insurance, it is important to quantify the amount for which the property is insured and the risks or perils for which insurance is provided. The perils for buildings insurance usually are:</p> <ul style="list-style-type: none">• fire;• lightning;• explosion;• earthquake;• vandalism and theft;• riot;• storm and flood;• aircraft and things falling from them;

- subsidence, landslip and heave;
- falling trees and branches;
- impact by vehicles and animals;
- breakage or collapse of aerials;
- escape of water from pipes or tanks;
- escape of oil.

Building Societies Ombudsman

Office whose work is now undertaken by Financial Ombudsman Service.

building society

Definition

Mutual organisation owned by its members, not by **shareholders**, to provide funds for buying property. They developed in the 17th century from **friendly societies**.

Development

Originally building societies “borrowed short but lent long”. This meant that investors could deposit money and earn interest for short periods while the society lent money for long periods, such as for 25 years for a **mortgage**. Today a large part of the funds of such bodies come from commercial money markets.

Since Building Societies Act 1986, the rules for building societies have been considerably relaxed, allowing them to compete more easily with **banks** and other financial institutions.

Taxation

The taxation of building society dividends and interest is set out in Corporation Tax Act 2009 s498.

Between 1 April 1963 and 31 March 1985, building societies paid corporation tax at a special rate of 40% (42.5% for financial years 1967 and 1969).

Demutualisation

Some building societies **demutualised** to become banks. Leading examples include Abbey National (now known as Abbey and owned by Santander) and Halifax (now part of HBOS). The tax consequences of doing so are set out in Finance Act 1988 Sch 12.

A building society was allowed to become a public company under Building Societies Act 1986.

building society bonus

For child trust funds, this term is defined in Child Trust Funds Regulations SI 2004 No 1450 reg 2(1)(b).

building society dividends

The income tax provisions are given in Income Tax (Trading and Other Income) Act 2005 s372.

building society group

Term used for the bank levy (Finance Act 2011 Sch 19 para 9).

building works insurance	Insurance for building works which the customer is usually obliged to provide under the building contract.
built-in furniture	For VAT, furniture which uses at least two walls of the building. Such furniture may qualify for zero-rating as builder's hardware when used in a new construction or an adaptation of a listed building.
built-in obsolescence	Practice of ensuring that a product will last only until the guarantee expires, or soon afterwards, so that the customer has to buy another product.
built-in stabiliser	Any automatic corrective device that smoothes out violent fluctuations in the level of economic activities. A simple example is income tax where a drop in a person's income is automatically matched with a reduction in tax payable.
Bulgaria	Eastern republic. Its currency is the lev of 100 stotinki. It is a member of the European Union. The UK has a double taxation convention of 1987.
bulge	Swelling. The term can mean an unusually large expansion of funds or work.
bulge bracket bank	Very large investment bank which operates globally in almost all businesses. Their size makes them able to take big risks such as underwriting large share issues. Their biggest problem is in addressing conflicts of interest.
bulk buying	Buying in a large quantity to obtain a lower price. An organisation set up to do this for its members is treated as a mutual trading organisation as is discussed in the Inspectors' Manual at BIM24784.
bulk carrier	Vessel which carries grain, coal and other loose cargo which is not packed into containers.
bulk licence	One of the three types of licence for amusement machine licence duty . (The other two are the premises-based licence and the special licence .) The bulk licence may be obtained where the operator has more than one premises requiring licensing.
bulk powers	Power of HMRC to collect data on taxpayers in bulk for risk assessment. Such powers can be used to compel banks to give details of all holders of a particular type of account.
bulk transfer	For pensions, the transfer of a group of pension scheme members and their scheme assets from one occupational pension scheme to another.
bulk transfer of accounts	For child trust funds, this is defined in Child Trust Funds Regulations SI 2004 No 1450 reg 2(1A).
bull	In investing, someone who expects stock markets to rise. The opposite is a bear . From 1945 to the 1970s, a bull was more strictly defined in London as someone who bought shares at the start of the market's two-week trading period with the intention of selling them at a profit before the end of that

period.

- bull CD** **Certificate of deposit** that pays the holder a specific percentage of a return increase for a specific market index and thus guarantees a minimum rate of return. It is used by investors who want to invest in a rising market at low risk.
- bulldog** Another name for a **bulldog bond**.
- bulldog bond** Fixed interest sterling bond issued in the UK by a foreign borrower.
- bullet** (1) Another name for a **bullet bond**.
(2) In text, the symbol • or similar used to identify each item in a list.
- bullet bond** American term for a **Eurobond** which is only redeemed on maturity.
Bullet bonds are used as payment by central banks where they act as currency backing.
- bulletin** Official statement issued at regular intervals.
- bulletin board** Website where users may leave messages. Although popular among investors, they are prone to malpractice such as **pump and dump**.
- Bulletin des Annonces Légales Obligatoires (BALO)** Publication of the French government which includes financial statements of public companies.
- bullet loan** American term for a loan which is repaid in a single payment and not in instalments.
- bullet point** Each item in a list, particularly when identified by a **bullet**.
- bullet-resistant glass** From 6 April 2011, this may be added to a company car if necessary to an employee from a threat to personal physical security without the cost increasing the figure for the list price from which the employee's car benefit is calculated (Income Tax (Earnings And Pensions) Act 2003 s125A).
- bullets** In gambling, a pair of **aces in the hole**.
- bull head** For coins, the image of George III used from 1816. It is an allusion to his wide neck.
- bullion** **Precious metal**, usually gold or silver, in a readily recognisable form such as **bars** or **ingots** or special **coins**. The value of bullion is determined by its weight.
Bullion has traditionally been a means to hedge against **inflation** or other adverse financial crises. These risks are now more commonly addressed by use of **derivatives**.
Money traditionally has two purposes of means of exchange and store of wealth. For coins these functions are currency and bullion.

bull market	<p>Financial conditions where share prices are rising or are expected to rise. The opposite is a bear market.</p> <p>In 1894, Charles Dow defined a bull market as one which has risen for two years. In modern parlance, this time limit is usually ignored.</p>
bull note	<p>Bond whose redemption value is linked to an index, such as the FT-SE 100 index. The name come from the fact that such a note is worth more in a bull market.</p>
Bullock order	<p>Legal procedure which may be ordered by a judge when there are two defendants.</p> <p>If the judge is satisfied, he may join the defendants. The cost of a successful defendant is added to the claimant's costs which may then be claimed from the unsuccessful defendant. The name comes from the case <i>Bullock v LGO Co [1907]</i>.</p>
Bullock Report	<p>Report published by Alan Bullock in 1977 for the British government. It recommended that larger businesses should have a measure of worker participation. These proposals were not adopted.</p>
bull position	<p>Strategy of buying shares in the hope that their price will rise.</p>
bull run	<p>Period in which a market keeps rising, largely by the continued optimism from investors.</p>
bull spread	<p>Simultaneous buying and selling options on the same underlying security to earn a profit on the expected rise of that security.</p>
bulse	<p>Bag for keeping diamonds.</p>
bulwark	<p>Defence or rampart. The term is often used metaphorically to mean any protection against adverse conditions.</p>
bumf	<p>Colloquialism for official paperwork, seen in disparaging terms.</p> <p>The term is a contraction of "bum fodder" which means toilet paper. The word is sometimes spelled bump. For many years Tolley published a book called <i>Tax Bumph</i>.</p>
bump	<p>Airlines</p> <p>In the airline industry, refuse to provide the contracted seat to a passenger because the aircraft has been deliberately overbooked to maximise revenue and more than the expected number of passengers turned up.</p> <p>Gambling</p> <p>In gambling, to raise a stake.</p> <p>Human resources</p> <p>In human resources, term for the practice of laying off a member of staff to avoid having to lay off another member, such as laying off junior staff in preference to senior staff.</p>

The Employment Appeal Tribunal held in *Mirab Mentor Graphics (UK) Ltd [2018]* that an employer should consider whether bumping is appropriate in a redundancy.

bump-up CD	Financial instrument held for short or medium-term investment. It allows the investor to increase the interest rate until the contract for difference matures. The increase may only be to market rates, but the investor does not have to reduce his or her rate if the market rate falls.
BUNAC	British Universities North America Club. When the P38(S) system existed for students, a BUNAC student could complete form P38(S) and not have income tax deducted under PAYE.
bunce	Colloquialism for unexpected money. The word is believed to be a corruption of "bonus" in the sense of extra dividend.
bunch	Group come together. The word is sometimes used when events, orders or payments come together instead of being evenly spread.
bunched gains	In international taxation, accumulated gains that have arisen over several years but where those gains are taxed once at the time of disposal. For capital gains tax purposes, it is often better to avoid bunching.
Bundesbank	Central bank of Germany, established in 1957 and based in Frankfurt. It has independence in setting interest rates which is undertaken by its Central Bank Council . Its regional branches are known as Landescentralbank .
Bundesbond	German government bond.
Bundestag	Lower house of the federal German parliament.
Bundesfinanzhof (BFH)	German supreme court for taxation matters.
Bundesobligation	German medium-term financial instrument that may be bought by non-German investors.
Bundles for Britain	Welfare organisation established in 1940 to send parcels to British troops.
bundling	Practice of supplying two products together, so a person wanting one must buy the other also.
bung	Slang expression for a payment, usually for an improper purpose such as a bribe.
Bungtown coppers	Counterfeits of low value British coins, particularly the halfpenny. They were often minted with amusing captions rather than for dishonest purposes.
bunny bond	Bond which gives its holder the choice of receiving interest or further bonds.

bun penny	Penny minted between 1860 and 1894 showing a youthful portrait of Queen Victoria with her hair in a bun.
buoyancy	State of a financial market that appears to be continually rising. In relation to tax, the term refers to the responsiveness of tax yield to national income.
buoyancy vest	For VAT, this is not an item of clothing. Therefore it does not qualify for zero-rating when sold for children (<i>British Vita Co Ltd [1976] VTD 332</i>).
BUPA	British United Provident Association, formed in 1947 to preserve freedom of choice in health care when the National Health Service was established. In effect it is an insurance company providing cover for private medical treatment, though it has diversified since the 1970s.
burden	A financial cost; administrative inconvenience; obstacle to efficiency, productivity or profitability; or a sanction (Legislative and Regulatory Reform Act 2006 s1(3)).
burden of a contract	The liability a party to a contract has to discharge that liability to the other party.
burden of proof	In law, the duty to satisfy the court of the truth of a matter. In broad terms, it is necessary to consider the standard of proof and on whom the burden falls. The standard of proof is balance of probabilities (more than 50% likely) in civil cases and beyond reasonable doubt in criminal cases, which is much higher. This difference was dramatically illustrated in the O J Simpson murder case in the USA (which has the same standards). Simpson was acquitted of murdering his wife in a criminal trial in 1995 but was ordered to pay compensation for her murder in a civil trial in 1997. The person who must prove the matter is usually the person who brings the proceedings. So, if in a civil action, it proves impossible to determine who is liable, the defendant "wins" as the claimant as not proved the case. In some discrimination cases, there is a reverse burden of proof .
burden of tax	Responsibility for paying tax, particularly inheritance tax. There are rules to determine who is responsible for payment of the tax. Any legacy said to be net of tax will usually require to be grossed up .
bureau	(1) Writing table, particularly one which contains space for files and stationery and which folds up as a piece of furniture. (2) Department or organisation set up to transact business. The plural is bureaux.
bureau de change	Place where money is changed from one currency to another. The plural is "bureaux de change". Bureaux de change must comply with money laundering regulations.

Bureau	A third party providing a service to National Export Scheme (NES) which authorised traders to act as their direct Representative for the submission of pre-shipment and Supplementary declarations.
Bureau of Labor Statistics (BLS)	Body that provides employment data for the US federal government.
burgage tenure	Before 1925, form of free land-holding which is governed by a local custom.
burglar alarm	This is listed in Capital Allowances Act 2001 s23 List C as an item that is not affected by the provisions of s21 (buildings) or s22 (structures). This means that its eligibility for capital allowance depends on the nature and purpose of the item.
burglary	<p>Crime of improperly entering premises to commit an offence under Theft Act 1968.</p> <p>Stock and cash lost by burglary is tax-deductible under the normal rules of allowability, except to the extent that such loss is covered by insurance.</p> <p>The matter is briefly discussed in the Inspector's Manual at BIM 45851.</p>
burglary safe	Safe whose prime purpose is to protect the contents against burglary rather than fire damage or other peril.
burglary with intent	Trespassing on to property with the intention of committing one of four offences: theft, grievous bodily harm, criminal damage, rape.
burglary without intent	Trespassing on to property with no intention of committing an offence, but then committing either of the two offences of theft or grievous bodily harm.
burial	<p>In law, the disposal of human remains on death. Strictly the term refers to burial in the ground, though the term is often used for any legal disposal.</p> <p>This is the first duty of an executor of an estate, though it is usual to respect the wishes of the deceased if known, or of the immediate family if not known.</p> <p>The disposal is subject to any requirement for a post mortem examination and to any donation of organs authorised by the deceased.</p> <p>The three legal means of disposal in the UK are burial in the ground, cremation, or burial at sea.</p> <p>For VAT, burial is an exempt supply. Further details are given in VAT notice 701/32.</p>
Buridan's Ass	<p>Man of indecision.</p> <p>Buridan was a 14th century scholar who postulated the sophism that an ass placed equally between two haystacks would starve to death because he could not decide which one he preferred. In reality an ass simply walks to the first stack it notices, which is the model for most arbitrary decisions.</p>
Burke, Edmund	Irish lawyer and politician (1729-97). As an MP in 1770 he strongly opposed duties on American trade.

Burkina Faso	African state, known as Upper Volta until 1983. Its currency is the Central French African franc of 100 centimes. The UK has no tax treaty.
Burma	Country now known as Myanmar . Payments of a pension made under Pensions (India, Pakistan and Burma) Act 1955 may be exempt from income tax under Income Tax (Earnings And Pensions) Act 2003 s654. UK has a double taxation convention signed in 1951.
burn	In finance, the period when expenditure is incurred without any significant income being received, as often happens at the start of a new business. The art is to ensure that sufficient income is generated before the initial capital has all been "burned".
burn-out turnaround	Arrangements to restructure a company which is in serious trouble. This typically requires new funding and new management.
burn rate	How fast a new business is consuming its initial capital. A new business may have initial capital of £1 million to establish itself before generating retained profit to stay in business. The burn rate measures how fast that business is consuming that capital before being able to generate sufficient profits. If the burn rate indicates that the capital will be exhausted in nine months, the business must be generating sufficient profits by then to sustain itself, or must seek further capital, which is likely to be difficult. Burn rate is often considered with such measures as EBITDA which helps to indicate how fast a business is moving to profitability.
Burundi	African republic. Its currency is Burundi franc of 100 centimes. The UK has no tax treaty.
bus	Vehicle with more than eight passenger seats, though up to 16 passenger seats the vehicle may be called a minibus . This is category D on the driving licence. Generally a driver must be 21 to obtain a licence for this category. For the purposes of works transport service , a bus "has a seating capacity of 12 or more" (Income Tax (Earnings And Pensions) Act 2003 s242(3)). An employer who provides support for a public bus service to assist his employees in getting to work, is not providing a taxable benefit in kind under Income Tax (Earnings And Pensions) Act 2003 s243.
bus fares	Zero-rated under Value Added Tax Act 1994 Sch 8 Group 8.
bushel	Measure of grain equal to eight gallons, or a large vessel for keeping grain.
business	<i>General</i> Term for any commercial activity. Many branches of law and taxation make a distinction between a business sale and a consumer sale, where the latter is made by an individual as part of the private life. For most purposes a business includes a profession, vocation and public authority.

Digital reporting and record-keeping

"In this Part of the Schedule 'business' —

(a) in relation to a person to whom this Schedule applies (see paragraphs 1 and 2) means the activity by virtue of which this Schedule applies to the person (and if more than one, means each of them), and

(b) in relation to a partnership to which this Schedule applies (see paragraphs 3 and 4), means any activity of the partnership"

(Taxes Management Act 1970 Sch A1 para 6 as inserted by Finance (No 2) Act 2017 s60(2)).

Consumer protection

The term "includes the activities of any government department or local or public authority" (Consumer Rights Act 2015 s2(7)).

Accounting standards

"An integrated set of activities and assets conducted and managed for the purpose of providing:

(a) a return to investors, or

(b) lower costs or other economic benefits directly and

proportionately to policyholders or participants.

A business generally consists of inputs, processes applied to those inputs, and resulting outputs that are, or will be, used to generate revenues. If goodwill is present in a transferred set of activities and assets, the transferred set shall be presumed to be a business" (FRS 102 glossary).

For International Accounting Standards, "An integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or other economic benefits directly to investors or other owners, members or participants" (IFRS 3.A).

Value added tax

The term is used for VAT purposes as only a business activity can create a VAT liability. So hobbies, and charitable and statutory functions are excluded. The requirements for a business are broadly a commercial enterprise and a series of transactions.

Value Added Tax Act 1994 s94(1) adds "business includes any trade, profession or vocation".

Further guidance is given in the case *C&E Commissioners v Lord Fisher [1981]*.

VAT flat rate scheme

Under the VAT flat rate scheme, the appropriate percentage for a business not otherwise listed is:

From	Percentage
4 January 2011	12%

1 January 2010	10.5%
1 December 2008	9.5%
1 January 2004	11%

Business Accounting Deliberating Council

Committee in Japan controlled by its Ministry of Justice. It is responsible for drawing up regulations regarding the consolidated accounts of companies.

business activities

Value added tax

In relation to VAT, any continuing activity that is mainly concerned with making supplies to other persons for a consideration. The activity must have a degree of frequency and scale and be continued over a period of time.

Business impact target

The term “means any activities carried on —

(a) by a business for the purposes of the business, or

(b) by a voluntary or community body for the purposes of the body.”

(Small Business, Enterprise and Employment Act 2015 s27(2)).

business activity

Commercial activity. If sufficiently large, the organisation must register for VAT.

business address

Premises from which a business operates.

business angel

Angel who invests in any business and not just in stage shows.

Business Angel Seed Investment Scheme (BASIS)

Form of investment proposed in 2011 which will provide a measure of tax relief for debt funding.

business asset

For the purposes of **capital gains tax (CGT)**, a business asset is one of:

- an asset used in a business;

- a shareholding in an **unlisted company**, including a company listed on the **Alternative Investment Market**;

- a shareholding of 5% or more in a quoted trading company: or

- a shareholding of any size in a quoted trading company if held by

an employee or director.

Until 2010, a business asset suffered a lower rate of capital gains tax than a non-business asset.

See also **business assets**.

business asset taper relief (BATR)

Relief from capital gains tax for business assets whereby the tax payable reduces according to how long the asset has been held. This is abolished from 1 April 2008, and replaced by a flat rate of 18% to which the first £1 million of disposal attracts an **entrepreneur's tax relief** equal to 4/9 of the tax. This reduces the tax to an effective rate of 10%, which is the same minimum rate that applied before 1 April 2008.

business assets	<p>In terms of HMRC's power of inspection, "means assets that an officer of Revenue and Customs has reason to believe are owned, leased or used in connection with the carrying on of a business by any person, excluding documents" (Finance Act 2008 Sch 36 para 10(3)).</p> <p>In relation to Revenue Scotland, the term means "assets that a designated officer has reason to believe are owned, leased or used in connection with the carrying on of a business by any person (but does not include documents)" (Revenue Scotland and Tax Powers Act 2014 s141(4)).</p>
business by telephone	<p>Term used by HMRC in relation to those tax functions it is prepared to administer by telephone conversation.</p> <p>Its statement of practice is set out in SP1/2010, which was amended on 7 February 2012.</p>
business card	<p>A small piece of card on which a person or business writes their basic contact details to give to other people.</p>
business centre	<p>Part of a town or city where most businesses operate.</p>
business combination	<p>For accounting standards, "the bringing together of separate entities or businesses into one reporting entity" (FRS 102 glossary).</p> <p>For International Accounting Standards, "a transaction or other event in which an acquirer obtains control of one or more businesses" (IFRS 3 Appendix A).</p> <p>"A transaction or other event in which an acquirer obtains control of one or more businesses. Transactions sometimes referred to as 'true mergers' or 'mergers of equals' are also business combinations as that term is used in IFRS 3" (IFRS 3.A).</p> <p>Under old UK standards, the term was defined as "the bringing together of separate entities into one economic entity as a result of one entity uniting with, or obtaining control over the net assets and operations of, another" (FRS 6 para 2 and FRS 7 para 2).</p>
business computer	<p>Computer powerful enough for a business to use. In practice, domestic computers have long been powerful enough for most businesses.</p>
business connection	<p>Provision in Indian law whereby indirect income is added to direct income for tax purposes.</p>
business continuity planning	<p>Management process that identifies potential threats to the business and makes plans to cope with them.</p>
business correspondence	<p>Letters to and from a business relating to its activities.</p>
business cycle	<p>Period over which a business expands and contracts. A typical business cycle is five to ten years.</p>
business day	<p>Any day which is not a non-business day (Bills of Exchange Act 1882 s92). Day on which banks are open for business.</p>

business days For hydrocarbon oil duty, “means days which are **business days** within the meaning of section 92 of the Bills of Exchange Act 1882” (Hydrocarbon Oil Duties (Payment of Rebates) Regulations SI 1996 No 2313 reg 3(1)).

business documents In relation to HMRC’s inspection powers, “means documents (or copies of documents) —
(a) that relate to the carrying on of a business by any person, and
(b) that form part of any person’s statutory records” (Finance Act 2008 Sch 36 para 10).
For Revenue Scotland, identical wording is used in Revenue Scotland and Tax Powers Act 2014 s141(4).

Business Economic Notes (BEN)
Documents published by Inland Revenue (now HMRC) giving detailed advice on how particular businesses are run.
BENs have not been updated and are now hopelessly out of date.

Business Education and Support Team (BEST)
Part of HMRC designed to assist taxpayers in understanding what an HMRC officer is looking for in an import or export declaration.
This is done by attending a seminar or specialist workshop. An officer can visit business premises.

business end Part of a tool or anything else which is performing the required function.

business entertainment Hospitality or entertainment of any kind provided for business purposes to anyone who is not an employee. This includes the expenses of staff acting as hosts.

This is not allowable against income tax (Income Tax (Earnings And Pensions) Act 2003 s356 and Income Tax (Trading And Other Income) Act 2005s45).

“Business entertainment means the provision of free or subsidised hospitality or entertainment. The person being entertained may be a customer, potential customer or any other person” (Inspector’s Manual at BIM 45010).

The manual goes on to quote Shorter Oxford English Dictionary as “the art or practice of being hospitable; the reception and entertainment of guests with liberality and goodwill”.

Income Tax (Trading And Other Income) Act 2005s45(4) and Corporation Tax Act 2009 s1298(5) both define entertainment as “includes hospitality of any kind” but otherwise provides no further definition.

“I cannot myself see much difference between entertainment and hospitality, and if once hospitality arises then the relationship of host and guest follows as a matter of course” (*Roxburgh J in Bentleys, Stokes and Lowless v Beeson [1952] 33 RC 491 at p 498*).

For capital allowances on equipment, business entertainment is defined in Capital Allowances Act 2001 s269.

In a VAT case, Lord Brandon said “to give people free meals and to give them free accommodtaion is, to my mind, to entertain them within the

ordinary and natural meaning of the word" (*C&E v Shaklee International [1981] STC 776*). This case is quoted for direct taxes in the Inspector's Manual at BIM 45012.

business entity

A business which exists independently of its owners.

business establishment

Direct tax

In relation to controlled foreign companies, means "premises —

(a) which are, or are intended to be, occupied and used with a reasonable degree of permanence, and

(b) from which the company's business in the territory in which it is resident is wholly or mainly carried on"

(Income and Corporation Taxes Act 1988 Sch 25 para 7(1)).

Value added tax

"A person carrying on a business through a branch or agency in the United Kingdom shall be treated as having a business establishment in the United Kingdom" (Value Added Tax 1994 Sch 1 para 10(4)(a)).

Business Expansion Scheme (BES)

Tax-advantaged means of investing in new businesses that operated from 1983 to 31 December 1993 when it was replaced by the **Enterprise Investment Scheme**. BES was subject to many conditions.

The main elements of BES are:

- tax relief was given on the taxpayer's marginal rate
- annual investment was between £500 and £40,000 per taxpayer
- a company could raise £750,000 a year under BES (£500,000 before 1 May 1990)
- the company must be in a qualifying trade and the individual had to be UK-resident and not a director of the investee company.

business expenses

Expenditure which relates to the activities of a business rather than personal expenditure.

business form

Any document which is completed for business purposes, such as an invoice, order form or application form. Such forms usually contain the business's logo, name and address.

business gift

Gift made in the course of a business. Such a gift is generally tax- deductible, provided:

- its cost per recipient per tax year does not exceed £50,
- it contains a conspicuous advertisement for the business, and
- it does not comprise food, drink or tobacco.

(Income Tax (Trading And Other Income) Act 2005s47).

This allows for the cost of such items as calendars, pens, coasters, bags and diaries.

business growth and development

In relation to enterprise investment scheme, "means the growth and development of—

(a) if the issuing company is a single company, the business of that company, and

(b) if the issuing company is a parent company, what would be the business of the group if the activities of the group companies taken together were regarded as one business" (Income Tax Act 2007 s174(2) as inserted by Finance (No 2) Act Sch 5).

business hours

Times when a business premises is staffed to transact business, even though it may be possible to transact some business outside these hours, such as placing an order on a website.

business impact target (BIT)

Target which the government must publish at the start of each Parliament and every year thereafter of the economic impact on business activities of regulatory provisions. The statutory provisions are in Small Business, Enterprise and Employment Act 2015 from s21.

There are further provisions in Enterprise Act 2016.

business improvement district (BID)

All or part of the area of a local authority which has made arrangements to enable projects for the benefit of businesses in the district (Local Government Act 2003 s41). Such projects are funded by a BID levy.

"Business improvement districts are partnerships between local authorities and local businesses which are intended to provide additional services or improvements to a specified area. A BID must be agreed by a ballot and is funded in whole or in part by a levy additional to non-domestic rates" (Commons Library Standard Note of 6 August 2014).

business income

In international taxation, the taxable income of a business from all sources.

business intelligence application

Software that allows the user to access data from many different files. It is widely used in human resources management to access data from payroll files, attendance records and other files.

business interruption policy

Insurance policy which pays for losses sustained when a business is prevented from continuing from an insurable risk.

Such a policy is typically added to other policies. For example, insurance for premises may cover the cost of rebuilding plus the loss of profits and customer claims which may result from not being able to trade until the factory is rebuilt.

Such policies are also known as **consequential loss policy** or **loss of profits policy**.

business journey

"In relation to a vehicle used for the purposes of a trade, means any journey, or any identifiable part or portion of a journey, that is made wholly and exclusively for the purposes of the trade" (Income Tax (Trading and Other Income) Act 2005 s94F(4)).

business judgment rule	Rule that courts will not interfere in the conduct of lawful business. For example, it will enforce a breach of contract but not repair a bad bargain.
Business Keepsafe	Service offered by the Royal Mail where they will retain mail for up to 66 days and not deliver it. This can be useful when a business has a break or when premises are left unattended. A pile of mail can indicate that the premises are unoccupied.
business liability	Liability incurred by a business in the course of its activities.
business licence fee	In international taxation, a fee for being allowed to carry on a business.
business-like	In an efficient and organised manner.
business literacy	Knowledge and understanding of the financial, accounting, marketing, legal and administrative functions of an organisation.
Business Link	Government-funded business advice service started in 1993. Between 30 November 1993 and 31 March 2000, a company could claim tax relief for contributions to Business Link.
business link organisation	Person authorised to use a service mark of a local enterprise agency or local enterprise company (Income and Corporation Taxes Act 1988 s79A).
business loan provisions	The tax provisions in Income Tax Act 2007 ss 392, 396 and 401. (Income Tax Act 2007 s410(3)).
business name	Name under which a business trades. This need not be its registered name. The law is found in Companies Act 2006 from s1192. This law applies to businesses, and is not restricted to companies.
business necessity	In the USA, a defence to an employment selection process that otherwise appears to breach discrimination law.
business of fish farming	"Means business of keeping live fish (whether or not for profit) with a view to their sale or to their transfer to other waters" (Diseases of Fish Act 1937 s10).
business payment	For non-lending relationships under loan relationship rules, "means a payment which, if it were paid, would fall to be brought into account for corporation tax purposes as a receipt of a trade, UK property business or overseas property business carried on by the company" (Corporation Tax Act 2009 s479(3)).
Business Payment Support Service (BPSS)	HMRC body established in the economic crisis of 2008. It deals with Time to Pay requests from companies and individuals who are having difficulty in paying any tax because of adverse economic conditions. BPSS negotiates an extended period for payment, provided it is satisfied that the reasons are valid and that the tax will eventually be paid.

BPSS is contacted on 0300 200 3835.

- Business People Scheme** Arrangement whereby a person may be able to come to the UK to run a business provided certain conditions are met.
- business plan** Plan containing financial and narrative data about the future of a business. A business plan is often used as a means of attracting funding.
- business plan test** One of 12 tests included in HMRC guidance published early in 2012 on whether an individual comes within the scope of **IR35**.
- business policy** General set of rules and principles laid down to guide directors in the running of a business.
Such rules typically take the form of a condition and preference, as in “if X happens, do A in preference to B”.
The means of implementing a policy is known as a **strategy**, though these times are not always used in such a precise manner.
- business premises** *Capital gains tax*
For capital gains tax, these are premises that HMRC thinks are used in connection with the carrying on of a business. Where someone works from home, the term is restricted to the rooms set aside for the business.
Powers of inspection
In relation to powers of inspection, “in relation to a person, means **premises** (or any part of premises) that an officer of Revenue and Customs has reason to believe are (or is) used in connection with the carrying on of a business by or on behalf of the person” (Finance Act 2008 Sch 36 para 10).
For Scotland, the term is defined “in relation to a person, means **premises** (or any part of premises) that a designated officer has reason to believe are (or is) used in connection with the carrying on of a business by or on behalf of the person” Premises is further defined as including “any building or structure, any land and any means of transport” (Revenue Scotland and Tax Powers Act 2014 s141(4)).
- business premises renovation allowance (BPRA)**
A capital allowance introduced on 11 April 2007, initially for five years but now extended to 2017.
It provides a 100% allowance for the capital expenditure of converting or renovating a business property that has been empty for at least one year in a disadvantaged area of the UK.
- business premises test** One of 12 tests included in HMRC guidance published early in 2012 on whether an individual comes within the scope of **IR35**.
- business process re-engineering (BPR)**
Management term for reconsideration of administration, supervision and procedural functions.

- business promotion scheme** A type of promotion where goods or services are given as a reward to retail and trade customers.
There is a special provision which requires VAT to be accounted for on the market value of such supplies.
- business property** Sum of fixed assets and inventory owned by a business.
- business property occupation tax (BPOT)**
Tax that Gibraltar planned to introduce in 2002, but which was held to be contrary to EU law.
- business property relief (BPR)** Relief from inheritance tax when businesses or business assets are inherited on the death of the owner.
For a whole business, or a shareholding in an unquoted company, the relief is generally 100%. For land, buildings and plant used in a business, the relief is 50%. Some of these rates were lower before 1995.
- business proportion** Addition to a personal cost relating to a business. Such a cost is not tax-deductible as it is not **wholly** for the business.
The matter was neatly illustrated in the case *Caillebotte v Quinn [1975] 50 TC 222*. A carpenter's lunch cost 10p at home but 40p on site. He claimed the additional 30p as a business cost, but it was disallowed. The matter is discussed in the Inspectors' Manual at BIM37650.
- business purpose test** In international taxation, a test used to determine whether expenditure is allowed against taxable income of a business.
- business rates** Tax paid to a local authority for occupation of non-domestic property. It is properly called **national non-domestic rate (NNDR)**.
The calculation is now based on a national rate in the pound set by government multiplied the rateable value of the property. Business rates are pooled nationally and a share is given back to local authorities based on the number of people living in the area. The amount charged is based on multiplying the rateable value of each business property by the national rate in the pound.
- business records check (BRC)** Audit of small businesses undertaken by HMRC. In 2011, it was announced that 50,000 such checks would be made annually.
On 3 February 2012, HMRC announced that it was postponing further BRCs "until it has formulated a new approach to these interventions targeted more at high risk businesses".
- business relief** Another name for **business property relief**.
- business review** Part of a **directors' report** which gives "(a) a fair view of the company's business, and (b) a description of the principle risks and uncertainties facing the company" (Companies Act 2006 s417(3)). Small companies are exempt.

business risk Risks faced by a business. These are usually classified as internal and external, and are addressed by recognised **risk management** methods.

business sample The provision of a business sample is a taxable supply for VAT if it exceeds £50 (Value Added Tax Act 1994 Sch 4).

From 1 January 2011, the limit refers to each sample. Previously it was an annual limit per donor per recipient.

business segment A section of a company which may be clearly distinguished from the rest of the company.

business start-up payment "Means a payment under a **Business Start-Up Scheme...**" (Income Tax (Trading and Other Income) Act 2005 s207(3)).

Business Start-Up Scheme (BSUS)

Government scheme to assist the unemployed. It ran from April 1991 to March 1995. It replaced the **Enterprise Allowance Scheme** and was similar to the **New Deal** offered from 1997.

BSUS was administered by Training and Enterprise Councils (TECs). Applicants had to be aged between 18 and 59 and have been unemployed for at least six weeks. They were given an allowance of between £20 and £90 a week, for between 26 and 66 weeks.

business strategy Procedures by which a business implements its **business policy**.

business succession Transfer of a business on the death of its owner. The tax consequences depend on whether the business was a company or sole trader/partnership.

For inheritance tax, the business may qualify for **business property relief**.

For VAT purposes, the new owner may be able to treat it as a **transfer of a going concern**.

The PAYE implications are given in PAYE regulations SI 2003 No 2682 from reg 102.

business tax Any tax paid by a business because it is a business.
In international taxation, such taxes are broadly of four types:

- income-based tax on business income, business worth or payroll
- business licence fee
- tax on gross revenue
- tax on gross receipts.

Business Tax Accounts (BTA) Software package developed by HMRC so that small businesses can have all their taxes accessible together.

business test For VAT, test as to whether a not-for-profit activity is carrying on a business activity.

The test is set out in VAT notice 701/1. It asks:

- is the activity a serious activity earnestly pursued?
- is the activity an occupation or function which is actively pursued with reasonable or recognisable continuity?

- does the activity have a certain measure of substance in terms of the quarterly or annual value of taxable supplies made?
- is the activity conducted in a regular manner and on sound and recognised business principles?
- is the activity predominately concerned with the making of taxable supplies for a consideration?
- are the taxable supplies that are being made of a kind which, subject to differences in detail, are commonly made by those who seek to profit from them?

business to business (B2B)	Sales a business makes to other businesses rather than to consumers.
business transaction	Any act of buying or selling to or from a business.
business travel	<p>Travelling in the course of work, such as to see a customer. Commuting, normal travel from home to work, is not business travel.</p> <p>A definition is given in Income Tax (Earnings And Pensions) Act 2003 s171(1)).</p>
business travel insurance	Travel insurance for business travel. It usually provides such additional cover as protection for laptops, and for the cost of sending a replacement colleague if you are detained because of an insured risk.
business unionism	Trade unionism viewed as a business with a duty to attract new members, maximise income and secure the best deal for its members.
business units	Parts of a business which may have their own Trading Accounts and operate with relative autonomy from the rest of the company or service.
business use	For Customs purposes, "the use of a vehicle for an activity carried out for financial gain or consideration" (Customs notice 3).
Business Wire Regulatory Disclosure	<p>News agency. From 2 April 2002, it is one of five news agencies authorised by Financial Services Authority to make announcements about listed companies.</p>
bust	Colloquial description of a person who has run out of funds.
busted bond	<p>Bond which has already defaulted and which is sold purely as a collectable piece of paper.</p> <p>Many pre-revolutionary Russian bonds are works of art, and are collected for this and their historic value.</p> <p>A busted bond is sometimes called an old bond.</p>
Butler, Rab	<p>Indian-born English Conservative politician (1902-1982) who was Chancellor of the Exchequer from 28 October 1951 to 20 December 1955 in the governments of Winston Churchill and Anthony Eden. His real name was Richard Austen Butler.</p> <p>He cut taxes in 1955 but was forced to reverse some of them after the</p>

election.

butlerage An early form of wine duty in 14th century representing a commutation of the rights of the king's butler. It is also known as **aliens custom**.

Butskellism Term widely used by political commentators to describe British economic policy between 1951 and 1955.

The term is a combination of the name of R A **Butler**, the Chancellor of the Exchequer in the Conservative government, and Hugh **Gaitskell**, his immediate predecessor in the Labour government. The term indicates that their policies were largely identical.

butterfly In investment, a strategy sometimes used by dealers of **traded options**. It operates by buying and selling both call options and put options at different prices, particularly when the prices are fluctuating. Options are then selected for sale according to how the price has fluctuated.

button (1) In gambling, a big white marker in the shape of an ice-hockey puck the denotes the position of dealer in house dealt games.
(2) Old term for a decoy in an auction room. The term is an allusion to a button as a device to stop something slipping away.

Buttonwood Agreement Trade agreement made in 1792 between 24 brokers in New York whereby they acted as an investment community. The name comes from a tree that served as their informal meeting place.

butut One hundredth of a dalasi, currency of Gambia.

buy a cow Term sometimes used in management to mean diversification, particularly diversification to avoid using contractors or suppliers. It comes from the expression "if you want a glass of milk, buy a cow". The opposite is known as **stick to your knitting** or **zero-basing**.

buy and hold Investment strategy of buying investments with a view to holding them for a long period.

buy and write Investment strategy of selling a traded option in a security which the investor already holds. This allows the investor to benefit from the **call premium** and to hedge any risk from the option pay-off.

buy a pig in a poke Be tricked into buying something worthless. The expression comes from a 16th century practice of buying what is supposed to be a suckling pig in a poke (a large bag) but which is actually a cat. This practice also gives rise to the expression "let the cat out of the bag".

buy a pot In gambling, to make a bet so large that other players are unlikely to call.

buy back (1) Buying something from a person to whom you had previously sold it.
(2) A payment made to reinstate into SERPS a person belonging to a contracted out pension scheme.

(3) Reinstatement of life assurance cover after a claim has been paid on critical illness under a policy that provides cover against critical illness and death. (Normally a policy of this type ceases when the claim is paid. The life assurance cover is then automatically cancelled.)

buyback store	Another name for retail credit .
buy earnings	Invest in a company with a low yield but high earnings to generate a large capital gain.
buyer	In relation to a sale that involves a transfer of trading stock, "means the person to whom the transfer is made" (Corporation Tax Act 2009 s170).
buyer credit	Loan granted to a buyer, particularly of exported goods.
buyers' market	Situation where demand outstrips supply, meaning that prices and conditions for trade tend to be in the buyer's favour.
buy in	Any arrangement where a purchase is made to cover a position, such as buying stock to meet a commitment to sell it. The term also applies to a company buying its own shares.
buying business	<p>In marketing, a strategy of giving a customer a special deal, such as selling at a loss or offering privileged trading arrangements, in the hope of getting further business.</p> <p>This strategy almost never works. Buyers quickly recognise the strategy and take short-term advantage of it. Long-term business comes from establishing a satisfactory trading relationship which is beneficial to <i>both</i> parties.</p>
buying down the market	<p>Buying more shares when the price is falling to reduce the average share price. For example if someone holds 100 shares acquired for £10 each and the price falls to £5, purchasing another 100 shares will reduce the average price to £7.50.</p> <p>This is generally regarded as a poor strategy as each purchase should be considered on its own merits.</p>
buying forward	Buying commodities and similar items for delivery at a fixed future date.
buying frenzy	When many people suddenly wish to buy a share or product in the belief that it will soon be scarce or soar in value. The frenzy itself will often trigger a rise in price which can be seen as justification rather than a self-fulfilling prophecy.
buying power	Another term for spending power .
buy in management buy out (BIMBO)	A management buyout where the existing managers are joined by venture capitalists who usually exercise control of the company.

buy now price	<p>Price at which goods may be acquired immediately, particularly from an Internet sales site, as opposed to bidding for the goods in an auction.</p> <p>The buy now price is usually above the starting price for goods offered in an auction. For the buyer, the advantage is avoiding the delay and uncertainty of buying goods by auction.</p>
buy on the rumour	<p>Axiom that fully reads, "buy on the rumour, sell on the fact". It means that shares rise on a belief of a welcome development and fall when the development does not happen.</p>
buyout	<p>(1) Process by which the management of a company acquire ownership of the company. This is known as a management buyout (MBO).</p> <p>(2) Purchase of a listed company by the company itself which has the effect of ending the listing and making it a private company.</p> <p>(3) The purchase of an insurance policy for a pension scheme member in lieu of benefits from the scheme following the termination of pensionable service.</p>
buyout policy	<p>A means of transferring a pension entitlement from an occupational pension scheme to a stand-alone policy. It is also known as a section 32 policy.</p> <p>Pension benefits under such a policy are subject to maximum limits based on those provided under the original occupational scheme.</p>
buy-side	<p>Description of an organisation that exists to make investments on its own behalf or for such investors as a company pension scheme.</p>
buy side analyst	<p>Analyst who is employed by an institutional investor to provide analysis on investment opportunities.</p>
buy to let	<p>Arrangement whereby a person buys a property with a view to letting it for someone else to rent. The rent received is then used to pay the mortgage which allows the owner to benefit from the capital gain on the property.</p> <p>The term Buy to Let was coined in 1996. Buy to Let became popular from 2000 when other forms of investment were less attractive. Special Buy to Let mortgages were offered by financial institutions.</p> <p>Typically a Buy to Let mortgage requires a larger deposit than a normal house purchase, typically 15% or 20% rather than 10%. The interest rate is usually higher by about one percentage point. Some lenders require proof that the rent is at least 30% more than the mortgage repayment.</p> <p>Buy to Let has allowed many individuals to accrue wealth, though it has many risks. On average Buy to Let properties have an average void period of 27 days a year. Void periods can quickly turn a good investment into a ruinous nightmare.</p>
buyer	<p>Person who acquires something by making a payment.</p> <p>In relation to a transfer of trading stock to a connected person, "means the person to whom the transfer is made" (Income Tax (Trading and Other Income) Act 2005 s181(2)).</p>

buyer's market	Economic situation which favours those who wish to buy rather than those who wish to sell.
buying back securities	The exact scope of this expression is given in Income Tax Act 2007 s570.
buying down the market	<p>Buying more shares when the price is falling to reduce the average share price. For example if someone holds 100 shares acquired for £10 each and the price falls to £5, purchasing another 100 shares will reduce the average price to £7.50.</p> <p>This is generally regarded as a poor strategy as each purchase should be considered on its own merits.</p>
buying price	Price at which units in a unit trust may be bought. It is also known as the offer price .
buy-to-let	Arrangement whereby a property is purchased with a view to letting it out. If the rent received equals the mortgage payments, the owner benefits from the capital appreciation of the property.
buy-write	Purchase of securities and simultaneous writing of call options against that position.
BV	Besloten Vennootschap , Dutch: limited company. Such companies put BV after their name.
BVC	Bona Vacantia dissolved company. Property that belongs to such a company is usually passed to BVD.
BVD	Bona Vacantia Division, of Department of Business, Innovation and Science. This department deals with property that has no owner and so passes to the Crown.
BVG	Prefix for HMRC's tax manual on bona vacantia.
BVI	British Virgin Islands.
BVPI	Best Value Performance Indicator.
BVPS	Book value per share.
BVR	Best Value Review.
BWB	British Waterways Board.
BWP	ISO code for Botswana pula.
by	<p>When a tax provision requires something to be done "by" a date, that includes things done on that date. So a duty to submit a return by 31 January 2017 has been complied with if done by midnight at the end of 31 January 2017.</p> <p>This applies to all taxes, but is specified in a few places such as Value</p>

Added Tax 1994 s59A(14).

byelaws	Laws made by a local authority. The current authority is Local Government Finance Act 1972 s235. The byelaw must be justified, relate to the area, be confirmed by the secretary of state, and not be covered by any other enactment.
bylaws	In USA, rules under which a corporation conducts its affairs. It is roughly equivalent to the UK articles of association .
by order	In Scots law, "a hearing of a case put out for the hearing at the instance of the court and not on the motion of a party" (Judiciary of Scotland website glossary).
by-product	Product made as an ancillary to a main product. Care is needed in costing by-products.
BYR	ISO code for Belarus ruble.
Byron Review	Government report written by Dr Tanya Byron and published on 27 March 2008 on protecting children in a digital world. It led to several changes in law and practice.
bystander behaviour	In psychology, the reactions of those who witness an incident, particularly an emergency.
byte	A unit of computer data. Eight bits equals one byte. One byte represents a character such as a letter or number.
bywoner	Authorised squatter on another person's farm. The word comes from the Dutch.
BZ\$	Abbreviation: Belize dollar.
BZD	ISO code for Belize dollar.