



Leach's Tax Dictionary

Provided by Tax Training Ltd.

www.taxtrainingltd.co

020 8224 5695.

October 2018

Please read the Preface and Fair Use Dealing. Neither the compiler nor the company can accept any liability for any loss occasioned by using this dictionary. © Robert Leach 2003-2018 and licensed to Tax Training Ltd.

C

C

National insurance

National insurance contribution letter for an employee who is not liable to pay class 1 national insurance, such as being over state retirement pension age. The employer is still liable to make contributions.

Customs forms

Series of Customs forms. The more common ones include:

- C3: permanently importing personal goods
- C5: importing pets
- C21: importing inventory not accompanying a traveller
- C88: **single administrative document**
- C104A: importing private motor vehicle
- C179B: bringing a motor vehicle back into the EU
- C384: paying duty for importing a private motor vehicle.

The forms are available from most shipping agents or from Customs. They can be downloaded from the website www.hmrc.gov.uk.

Council tax

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

- in England, between £52,001 and £68,000 in 1993
- in Wales, between £52,001 and £73,000 from 1 April 2005, and between £39,001 and £51,000 before:
- in Scotland, between £35,001 and £45,000 in 1973.

A band C property pays council tax at 8/9 of the rate for an average band D property.

Tax codes

Prefix before a tax code to indicate that the employee is Welsh resident and is therefore liable to pay Welsh income tax rates from April 2019. The C stands for "Cymru".

Company cars

Before 6 April 2011, the P11D code for a company car than ran on bi-fuel.

From 6 April 2011, such cars are taxed the same as petrol engine cars and use code A.

Vehicle excise duty

Rate band for vehicles with emissions between 111 and 120 gm/km.

Full Payment Supplement form

Indicator in the "Number of hours worked" box that the employee works 24 to 29.99 hours a week.

Reason for lateness in submitting an FPS or EPS for a tax month

The reason is that the payment was a notional payment for reasons other than those covered by letters A or B.

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 September. It is now a control character.

Other meanings

- (1) Third person in any explanation or legal guide, as in A buys from B on behalf of C.
- (2) Roman numeral for 100.
- (3) In planning law, use class order for residential property.
- (4) Third grade or third class, after A and B.
- (5) Degrees of temperature on the Centigrade scale.
- (6) In **hexadecimal notation**, the number 12.
- (7) Coulomb, a measure of electricity
- (8) Atomic symbol for the element carbon.
- (9) Abbreviation to denote client in Income Tax Act 2007 s46A.
- (10) Abbreviation for a qualifying change in relation to **allowance buying**, as set out in Capital Allowances Act 2001 s212C.
- (11) In relation to residence nil rate band for inheritance tax, a child looked after by a guardian as defined in Inheritance Tax Act 1984 s8K(6) as inserted by Finance (No 2) Act 2015 s9.

c Circa, approximately. The term is particularly used with a date.

C\$ (1) Abbreviation: Canadian dollar.
(2) Abbreviation: córdoba, currency of Nicaragua.

CA (1) Chartered accountant. For the Scottish Institute, these are also the designatory letters after the member's name.
(2) Consumers' Association.
(3) Companies Act, usually followed by the year, eg CA 1948, CA 1985, CA 2006.
(4) Court of Appeal, in case citations.
(5) **Carer's allowance**.

(6) Prefix for HMRC's tax manual on capital allowances.

CA 2004

Children Act 2004.

CAA

(1) Capital Allowances Act 2001

(2) Civil Aviation Authority, a public corporation. It was established by Parliament in 1972 as an independent specialist aviation regulator and provider of air traffic services.

CAA allowances

"Means allowances treated under section 250 or 250A of [Capital Allowances Act 2001] (capital allowances for overseas property businesses) as an expense of the business" (Income Tax (Trading and Other Income) Act 2005 s270(5)).

CAA charges

"Means charges treated under either of those sections [Capital Allowances Act 2001 ss250 and 250A] as a receipt of the business" (Income Tax (Trading and Other Income) Act 2005 s270(5)).

CAAT

(1) **Central Agent Authorisation Team** of HMRC.

(2) **Crypto-Asset Accounting and Tax**.

CAB

(1) Citizens Advice Bureau.

(2) Careers Advice Board, in armed forces.

(3) **Cabinet bid**.

(4) Chartered Attitude and Behaviour, professional body.

cab

Taxi.

cabbage

Slang term for money, possibly because the green colour is the same as old pound notes.

CABE

Chartered Association of Building Engineers.

Cabinet

Committee of the prime minister and leading ministers which makes decisions on running the country.

cabinet bid (CAB)

Facility allowing holders of options to close their position for a nominal sum, such as for 1% of the option contract.

cabinet friction

For coins, small amounts of wear from being moved in a wooden tray.

cable

(1) Term sometimes used for the exchange rate between the pound and US dollar.

(2) Telegraphic message.

(3) Old nautical measure of 12½ fathoms, which is 75 feet.

cabochon

Precious stone which is polished but uncut.

cabotage

Coastal trading, or principle of restricting trade to within one's defined area.

Another meaning is the practice of using foreign vehicles in that country

as a means of avoiding taxes or trading restrictions.

cab rank principle

Common law requirement that a taxi driver must accept all passengers. This is a departure from the normal law of contract where a supplier can choose his customers.

This common law requirement also applies to innkeepers and barristers.

CAC

(1) **Customs Action Code.**

(2) Cotation Assistée en Continue, term used by Paris Bourse.

(3) **Central Arbitration Committee**

CAC 40

Main index of the French stock exchange from 1988.

It is a subset of the SBF 120 index, which in turn is a subset of the SBF 250 index. The CAC 40 replaced the CAC General Index.

cache

(1) A secret hoard of money.

(2) In computing, a technique computers use to save memory by storing frequently accessed files.

In both meanings of the word, it is pronounced "cash".

CACM

Central American Common Market.

The members are Costa Rica; El Salvador; Guatemala; Panama; Honduras and Nicaragua.

cactus

Endangered plant. The importation of the plant or its products is generally prohibited under **CITES convention**.

CAD

(1) **Cash against documents.**

(2) Capital Adequacy Directive.

(3) **ISO code** for Canadian dollar.

(4) Computer-aided design.

cadaster

Local public register of land.

cadastral

Pertaining to the public register of land.

cadastral income

In international taxation, standard used to calculate tax on land and property.

cadastral rent

In international taxation, standard used by some countries to determine taxable notional rent.

Cadbury Report

Report published in 1992 on corporate governance, particularly with regard to board structures and accounting systems to deal with risk and failure. The report's conclusions have generally been adopted.

The Report has subsequently been followed by the Greenbury Report of 1995, Hampel Report of 1998 and Higgs Review of 2003.

cadge

Beg for; scrounge.

cadger

Someone who seeks things from people without payment.

cadit quaestio Latin: the question drops.
In law this means that the matter admits no further argument.

Cadmean victory Victory achieved at a great loss; similar to a **Pyrrhic victory**.
The term comes from the battle of Cadmus in Greek mythology.

caduceus Symbol of a sword with two serpents twisted round it. This is the badge of the Royal Army Medical Corps. It has been used to denote medicine in other contexts. It was originally a white wand carried by Roman heralds to indicate that they were seeking peace.



CAES **Computer-assisted execution system**

caeteris paribus Latin: other things being equal.

CAF **Charities Aid Foundation.**

CAFCASS Children and Family Court Advisory and Support Service.

cafeteria Under the VAT flat rate scheme, the appropriate percentage for catering is:

From	Percentage
4 January 2011	12.5%
1 January 2010	11%
1 December 2008	10.5%
1 January 2004	12%

A cafe is also an example of a **trade related property**.

cafeteria benefits In human resources, an arrangement whereby an employee may choose what benefits he wishes to have in making up his **remuneration package**.

This can be tax effective when tax-advantaged benefits are selected, but care must be taken if making a **salary sacrifice**.

cafeteria plan Another name for **cafeteria benefits**.

cage Term sometimes used to describe the part of a broking firm where the paperwork is processed.

CAGR **Compound annual growth rate.**

Caillebotte	<p>Case that established that a business proportion of taxable spending is not tax-deductible.</p> <p>The full name is <i>Caillebotte v Quinn [1975] 50TC222</i>. A carpenter's lunch cost 10p at home but 40p on site. The business proportion of 30p was not tax-deductible. The matter is discussed in the Inspectors' Manual at BIM37650.</p>
cain	<p>Old Scottish term for rent paid in kind.</p>
caird	<p>Scottish term for a tinker or vagrant.</p>
cake decorations	<p>For VAT, these are standard-rated when inedible and sold separately but zero-rated when supplied with the cake. The exact scope is set out in VAT leaflet 701/14.</p>
cakes	<p>For VAT, these are generally zero-rated as food even if covered with chocolate or other sweet material under Value Added Tax 1994 Sch 8 Group 1 Excepted Item 2.</p> <p>They are standard-rated when supplied in the course of catering (VAT notice 701/14).</p>
calculable	<p>Able to be calculated.</p>
calculate	<p>Determine a number or amount by mathematics. The term is also used for making a deliberate plan, particularly one which involves several steps and considers alternatives.</p>
calculated risk	<p>Risk whose likelihood and consequences have been included in a calculation.</p>
calculating machine	<p>Calculator, particularly of the older mechanical sort.</p>
calculation	<p>Finding a solution to a problem using mathematics only.</p> <p>If the solution involves applying rules (as in calculating tax), the process is more accurately described as a computation.</p>
calculator	<p>Device for performing mathematical functions. It is generally distinguished from a computer in that a calculator does not usually perform logic functions or store data, though such distinctions do not always hold.</p> <p>Early forms of calculator include the abacus, comptometer, slide rule and mechanical adding machines.</p> <p>Electronic calculators first used thermionic valves, then transistors, then integrated circuits. During the 1980s, LED displays were replaced by liquid crystal which use much less power.</p>
calculus	<p>Branch of mathematics, based on algebra, which calculates how variables relate to each other.</p> <p>It is little used in finance, though it can be used to calculate optimum selling price and similar.</p>

calculus of finite difference	Branch of calculus concerned with changes in functions due to finite changes in variables.
Calderbank letter	Letter sent by one party in litigation to the other in which an offer is made to compromise proceedings to achieve a settlement. Such a letter may not be used in a trial or made known to the judge, except in determining costs. The name comes from the case <i>Calderbank v Calderbank</i> [1976].
calendar	<p>Table of dates for a period.</p> <p>The ordinary calendar comprises 12 months from 1 January to 31 December. The current calendar is the Gregorian calendar which replaced the Julian calendar under Calendar (New Style) Act 1750 and Calendar Act 1751, which remain law. The change meant that 2 September 1752 was immediately followed by 14 September 1752.</p> <p>The Julian calendar started on Lady Day which is 25 March, nine months before Christmas Day. This was changed by Calendar (New Style) Act 1750, which also introduced 1 January as start of calendar year.</p> <p>Scotland had adopted 1 January as the first day of the year in 1600, and adopted the Gregorian calendar in 1752 with England.</p> <p>Other calendars relate to other periods such as a financial year or tax year.</p>
calendar convention	Convention used in euromarkets that the maturity date of short-term bonds is the same as the date of their issue.
calendar effect	<p>Investment theory that some times of the week, month or year are better than others for producing rises and falls in share prices.</p> <p>This is reflected in the axiom "sell in May and go away".</p> <p>Apparently 6 June is the best trading day and 26 September the worst. Prices tend to fall in October and rise in January.</p>
calendar month	<p>One of the 12 traditional divisions of the year, as opposed to a tax month or any other period of similar length.</p> <p>Under Interpretation Act 1978, "month" means calendar month unless the context requires otherwise.</p>
calendar spread	Options strategy of selling an early-expiring option and buying a later-expiring option in the same underlying security.
calendar variance	Discrepancy that can arise when a company prepares accounts according to the calendar but calculates other figures on the basis of working days.
calendar year	Period from 1 January to 31 December, used to distinguish a year from financial year or tax year .
call	<ol style="list-style-type: none">(1) Demand on shareholders to pay instalment on new shares.(2) In gambling, to equal a bet but not to raise it.(3) Ceremony where law students become barristers.

callable bond	Bond which can be redeemed before it matures.
callable capital	The part of a company's capital which has been authorised and issued but not yet called up.
callable CD	Certificate of deposit that can be redeemed by the issuing company before the maturity date.
call account	Another name for a current account where money may be withdrawn without notice.
Callaghan, James	<p>English Labour politician (1912-2005) who was Chancellor of the Exchequer from 16 October 1964 to 30 November 1967 in the first government of Harold Wilson.</p> <p>He tried to cope with a worsening economic crisis by increasing taxes and introducing capital gains tax. He was forced to devalue the pound in 1964. He subsequently introduced selective employment tax, and introduced a national wage freeze.</p> <p>He was prime minister from 5 April 1975 to 4 May 1979. He remains the only person to have held all four big offices of prime minister, home secretary, foreign secretary and chancellor.</p> <p>Callaghan was Shadow Chancellor from 2 November 1961 to 15 October 1964.</p>
call auction	<p>Process where orders for securities are batched and sold at an auction. It is an alternative to the normal methods which involve continual matching of buy and sell orders.</p> <p>Call auctions have the advantages of concentrating liquidity but have the disadvantage of customers having to wait to see if their orders have been executed.</p>
call-back pay	Payment to an employee who has been called to back after finishing his normal working hours. Such pay usually attracts a premium.
call box	Public telephone.
call boy	Person, traditionally a young male, employed to summon actors and actresses when required on stage.
call centre	<p>Central location which deals with telephone calls to an organisation.</p> <p>The best call centres quickly route the caller to a person within a maximum of one minute.</p> <p>Bad call centres present callers with endless options requiring numbers to be keyed in, keep callers waiting sometimes for many minutes before anyone answers, requires the caller to answer many questions before the caller can state the purpose of the call, and often cannot deal with the matter anyway. This indicates a lack of customer service.</p>

Callcredit	One of the UK's three credit reference agencies, established in 2000. (The other two are Experian and Equifax.)
call date	Date on which a bond may be redeemed by the issuer before maturity. This is usually either at par or at a higher value. For the latter, the difference is called the call premium .
call deposit account	Investment account which allows investors instant access to funds.
called to the Bar	Process by which a person becomes a barrister.
called up	Description of share capital where the shareholders have paid the whole amount of the acquisition cost.
called up capital	Amount of issued share capital expressed as the amount by which shareholders have paid the calls on their shares.
called up share capital	The legal term for called up capital . It is defined as "in relation to company [the term] means so much of its share capital as equals the aggregate amount of the calls made on its shares (whether or not those calls have been paid), together with — (a) any share capital paid up without being called, and (b) any share capital to be paid on a specific future date under the articles, the terms of allotment of the relevant shares or any other arrangements for payment of those shares" (Companies Act 2006 s547).
calligram	Trade mark or other design made from the initials or letters of a word. [This word can also be spelled calligramme.]
call in	Require a debt to be paid, particularly a debt which does not have a fixed repayment date.
calling	Another term for vocation . "Vocation and calling are synonymous terms" (<i>Hawkins J in Partridge v Mallandaine</i> [1896] 2 TC 179).
calling the jury	Announcement in court of the names of jurors.
call money	Amount loaned for which immediate payment may be demanded at any time.
call night	Evening when an inn of court calls student members to the Bar. There are usually four or five such nights per year.
call-off stock	Stock that a customer has adopted but takes delivery as required. Such stock is often stored at the customer's premises. When the customer is in a different EU state, call-off stock is regarded as being removed for VAT purposes when supplied, not when adopted. However, in some member states, this may be regarded as consignment stock .

call-of-more option	An option which allows a buyer of option to double his holding of call options. It is one of the forms of option to double .
call on shareholders	Demand that shareholders pay the next instalment on buying their shares.
call option	<p>The right to purchase shares (or other securities) at a specified price at a specified date in the future. The duty to sell shares at that price is a put option.</p> <p>A call option is usually sold for a fraction of the current share price plus a premium. If the shares rise above the option price, the shares can be immediately sold for a profit. If the share price falls below the option price, the option becomes worthless and the investor has lost the premium.</p>
call-over option	Price which is determined by an individual seller in a market and not by open outcry.
call-over price	Price agreed for a commodity at callover . This price is used as the basis for subsequent trading.
call payment	Payment made by investors to acquire new shares.
call premium	Premium paid to purchase a call option .
call price	<p>(1) Exercise price of a bond's call provision.</p> <p>(2) In the USA, the term is used more widely to mean the price to be paid on redemption of any bond.</p>
call provision	Provision in the terms of issuing a bond or other security that allows the issuer to redeem the bond before maturity date, either at par or at a premium.
call purchase	Transaction where the buyer and seller can agree a price for a future delivery.
call rate	<p>(1) Rate of interest on money at call.</p> <p>(2) In sales, how many visits a sales person can make in a defined period.</p>
call risk	Risk to a bond-holder that a call option will be exercised, by the bond being redeemed before its maturity date.
calls in arrear	<p>Money called up for shares but which has not been paid when due.</p> <p>Eventually the accounts must be journalised so that the balance is written off to a forfeiture account.</p>
calling list	In Scots law, "the list of cases calling in ther [sic] Court of Session on a particular day" (Judiciary of Scotland website glossary).
call spread	Investment strategy of buying a call option at one exercise price and selling the same call at a higher price.
call to account	Require an explanation from someone.

call up	<p>(1) Require payments to be paid by shareholders on their issued share capital which has not yet been paid.</p> <p>(2) Summons a person to perform a duty, such as jury service or national service in the armed forces.</p>
call warrant	Warrant that allows the holder to buy an underlying instrument, particularly where the investor would not otherwise by the underlying investment.
Calman Commission	Body that reported on Scottish devolution in 2009. It stated that redistribution of resources across society should remain a function of national government.
Calmar ratio	<p>Investment ratio to measure risk and return. The higher the ratio, the better is the investment's risk-adjusted performance.</p> <p>It divides the average annual compounded rate of return by the maximum drawdown over a given period, typically three years.</p> <p>The name is a contraction of Californian Managed Accounts Reports which first used the ratio in 1991. They believed it was more accurate than the Sterling Ratio.</p>
calorific gas	Gas which can be burned for heating and power. These include hydrogen, carbon monoxide, methane and various hydrocarbons.
Calvo clause	<p>Clause in a contract for international trade which states that the parties rely solely on the law of the foreign territory to resolve any issue that may subsequently arise.</p> <p>It is named after the Argentinean jurist Carlos Calvo (1824-1906).</p>
CAM	Capital Allowances Manual, a book produced by HMRC to give guidance on how to operate capital allowances .
Camacho's wedding	<p>Any act of great expenditure and show for no purpose.</p> <p>The expression comes from the character in <i>Don Quixote</i> who is cheated of his bride after organising a splendid wedding feast.</p>
cambist	Person experienced in the art of financial exchange.
cambistry	Art of financial exchange, practised by a cambist.
Cambodia	Indo-Chinese kingdom. Its currency is riel of 100 sen, though the US dollar is widely used. The UK has no tax treaty.
Camborne Pool Redruth 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).
CAMEL	<p>Mnemonic for the five principal areas to be considered when evaluating a bank, namely:</p> <p>Capital adequacy</p>

Asset quality
Management quality
Earnings
Liquidity.

camera	Latin: chamber. The expression "in camera" means "in private", such as when the public is excluded from a court room.
Camera Stellata	Latin: Star Chamber .
Cameron, David	English Conservative politician (1966-) who was Prime Minister from 11 May 2010 to 13 July 2016.
Cameroon	African republic. Its currency is the Central French African franc of 100 centimes. The UK has no comprehensive tax treaty, but has an air transport agreement signed in 1981.
camp	For military purposes, this is defined in Camps Act 1939.
Campbell-Bannerman, Henry	English Liberal politician (1836-1908) who was prime minister from 5 December 1905 to 7 April 1908.
camper van	This vehicles does not come within the scope of zero-rating for residential caravans under Value Added Tax 1994 Sch 8 Group 9 Item 1. Zero-rating applies only to static caravans. The issue was tested in the Court of Appeal in the case <i>Oak Tree Motor Homes Ltd v HMRC [2017]</i> .
Camphill Association	Body formed in 1940 to promote Christian socialist ideals. They engage co-workers whose tax status is discussed in the Inspectors' Manual at BIM22040.
CAMRA	Campaign for Real Ale.
Canada	North American state. Its currency is the Canadian dollar of 100 cents. The UK has a double taxation protocol of 2003. Also in effect are part of double taxation convention of 1978, as amended by two protocols of 1980 and 1985.
Canada Revenue Agency (CRA)	Body responsible for collecting tax in Canada.
Canadian	In gambling, a form of full cover bet also known as a Super Yankee .
Canadian dollar	Currency of Canada.
Canadian Institute of Chartered Accountants (CICA)	Principal professional body for accountants in Canada.
canal	Man-made inland waterway. The first modern canal is Sankey Brook Navigation completed in 1757 for transporting coal. Many more were built in the remaining 18th century until there was 4,000 miles of navigable waterway

by 1830. Canals quickly fell into disuse from 1840, mainly because of the development of the railway.

Profits from this, when 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).

For capital allowances, this is specifically excluded from the scope of plant and machinery (Capital Allowances Act 2001 s22(1) List B).

Canadian Institute of Chartered Accountants (CICA)

Principal professional body for accountants in Canada.

cancel Stop, reverse or otherwise negate an action.

cancel former order (CFO) Instruction that may be given to a broker.

Cancellaria Curia Latin: Court of Chancery.

cancellarial Pertaining to the office of chancellor.

cancellation Act which has the intention of negating a document or act.

In terms of a cheque or other bill, cancellation may be indicated simply by drawing a line across the document.

For a document, cancellation is insufficient to deny the document effect. Such an act must be accompanied by a declaration from the testator that the will is cancelled (Wills Act 1837 s20).

cancellation clause A provision in a contract that permits one or either party to cancel the contract before it has been completed.

cancellation fee Charge to cover the administrative cost of cancelling something, such as an order.

As this is not a charge for a supply, there is generally no VAT on such a fee (VAT notice 700).

cancellation of shares When a company removes shares from its register. This has the effect of reducing the share capital. The legal implications are set out in Companies Act 2006 s663.

cancellation of trade agreement

According to BIM38220 this is usually revenue expenditure, except if the agreement is such that its loss would cripple the trade. This may be capital following the decision in *Vodafone Cellular & Others v Shaw* [1997] 69TC376.

cancellation period Period after signing a contract during which a customer may cancel the contract.

cancellation price Price at which a **unit trust** will redeem units.

cancel out When two equal and opposite accounting entries come together.

cancer	It is an offence to advertise a cure for cancer (Cancer Act 1939 s4).
Cancer Research UK	Charity formed on 4 February 2002 from the merger of Cancer Research Campaign and Imperial Cancer Research Fund, which were formed in 1923 and 1902 respectively. The charity funds research into all types of cancer.
candidate	Person who seeks election or appointment to a position.
candidate company	Close company as defined in Income Tax Act 2007 s393A as inserted by Finance Act 2014 s13(3).
candle-holder	Person who provides marginal assistance to another. The term originally applied to the person who held a candle in church for a reader.
Candlemas	<p>Old Scottish term day in Scotland on 2 February. Since 1991, it has been replaced by 28 February.</p> <p>It is a Christian festival commemorating Mary presenting Jesus at the temple. It is celebrated by lighting candles.</p>
candlestick chart	Graph used in chartism to predict likely share price movements.
canned or packaged	Term used in VAT notice 701/15 to determine whether pet food is standard-rated.
cannibalisation	<p>(1) Making up a complete product by taking parts from incomplete products or from the useable parts of scrapped products.</p> <p>(2) Commercial arrangement whereby a business gains business in one area at the expense of losing some in another, such as when a retailer opens a branch near an existing branch.</p>
cannon-shot rule	Old rule of law that gave countries the right to claim sovereignty over waters up to three miles for their shore. The term comes from the approximate limit of 17 th century artillery. The modern laws on territorial waters now usually give a greater distance, typically 12 miles.
Canolfan byd Gwaith	Welsh: Jobcentre Plus.
Canon	A leading maker of printers and other computer equipment.
canon	Rule of canon law or ecclesiastical law. The term is also used for a minor dignity attached to a cathedral.
canon law	Rules for governing a church. The canons of the Church of England are part of the law of England but may only be enforced against its clergy. Other churches may only enforce their canon law on the basis of a society regulating its own rules.
canons of taxation	<p>Set of criteria developed by Adam Smith to judge whether or not a tax was a "good" tax.</p> <p>They canons are:</p>

- The cost of collection must be low relative to the yield
- The timing and amount to be paid must be certain to the payer
- The means and timing of payment must be convenient to the payer
- Taxes should be levied according to ability to pay.

canteen

Income tax

Dining hall in a workplace.

There is generally no tax charge for a subsidy for meals provided in a canteen (Income Tax (Earnings And Pensions) Act 2003 s317).

Value added tax

For VAT, a supply from a canteen was regarded as a standard-rated supply of catering when intended to be eaten in the canteen. It was a supply of food when intended for consumption elsewhere at the place of work. *Bishop & P Elcocks [2001] VTD 17620.*

Canute

Alternative name of Cnut, King of England from 1016 to 1035.

The famous story of his sitting on the beach giving orders to the tide was not an act of foolishness, but was to demonstrate the limit to monarchical powers.

CAO

(1) Company Announcements Office.

(2) Chief accounting officer.

cap

Impose a financial limit, usually as a maximum.

CAP

(1) Chargeable accounting period.

(2) Common Agricultural Policy - the set of legislation and practices jointly adopted by the nations of the European Union (EU) in order to provide a common, unified policy framework for agriculture.

(3) Prefix for HMRC's tax manual on CAP imports.

CAPA

Confederation of Asian and Pacific Accountants

capacity

(1) Amount which can be produced, either in terms of money or production of goods.

(2) The largest amount of insurance or reinsurance available from a company. It can also refer to the largest amount .of insurance or reinsurance available in the marketplace.

(3) Person's role in an organisation.

(4) Available space.

capacity of company

Ability of a company to enter transactions. This may be restricted by its **articles of association**. However Companies Act 2006 s39 makes clear that any restriction does not invalidate any action taken with another party.

capacity test

The tax rule that the allowability of expenditure can depend on the capacity of the person in making it.

The test was established in the case *Strong & Co of Romsey Ltd v Woodfield [1906] 5TC215*. This held that a brewery incurred expenses as a

landlord and not as a trader. This has been subsequently followed in other cases. The matter is discussed in the Inspectors' Manual at BIM37300 and BIM38510.

Such a marginal distinction is less likely to be made now. The capacity test remains valid in terms of disallowing expenses incurred by someone in their capacity as a parent or private citizen rather than as a trader.

capacity to be a trustee

In general, any legal person may be a trustee.

A minor under 18 cannot be a trustee under Law of Property Act 1925 s20. A person who lacks full **mental capacity** may only be a trustee to the extent that he understands the nature of trusteeship.

A company may be a trustee if its articles of association permit this. In practice, many trustees are **trust corporations**.

capacity to contract

The legal ability to make a contract.

English law assumes that every person and **legal person** has such capacity (that is they are **sui generis**) unless they lack capacity. The legal restrictions are:

- **minors** who are restricted to buy **necessaries** at a **reasonable price**;
- people of limited **mental capacity** who are generally restricted to their ability to understand the contract;
- people who are **drunk** or under the influence of **drugs**, who are similarly restricted;
- **bankrupts** who have some restrictions imposed on them under insolvency law;
- **enemy aliens** with whom a contract may not be made;
- **companies** and other bodies who are restricted to the objects for which they are formed. A contract within those objectives is said to be **intra vires**; one outside is **ultra vires**.

capacity usage variance

Difference between budgeted and actual figures to the extent that it caused by more or fewer hours being worked.

capacity utilisation

Measurement of how much of a manufacturing facility is being used productively.

capacity variance

Difference between planned hours and the hours actually worked.

cap and collar mortgage

Loan on a property where the interest rate fluctuates but only within limits. It cannot fall below a lower rate, the collar, nor rise above a higher rate, the cap.

cap and collar rate

Rate expressed as a maximum and minimum that may be charged.

cap and trade

Method of using market forces as a means of control. The **European Union Emission Trading Scheme** is an example.

The principle is that a cap is set (such as on total emissions of greenhouse gases). Those operations that emit such gases buy emissions allowances. Someone who produces more emissions than allowed must buy

allowances from someone who has not used their full allowance.

Caparo case Another name for **Caparo Industries plc v Dickman [1990]**.

Caparo Industries plc v Dickman

Court case of 1990 on auditor's liability.

Caparo acquired a controlling interest in a company called Fidelity whose reported profit of £1.3 million should have been a loss of £400,000. Caparo sued the auditors for professional liability. The House of Lords held there was no liability as the auditors owed no duty of care to individual shareholders or to the investing public in general.

cape Writ used in a **real action**.

Capel Court Land adjacent to the London Stock Exchange where dealers once congregated. It was also used for the exchange itself.

Cape Verde Island republic in Atlantic Ocean. Its currency is the escudo Caboverdiano of 100 centavos. The UK has no tax treaty.

CAPEX Abbreviation of **capital expenditure**.

capias Latin: that you take. It describes a writ to arrest a named person.

capias ad respondendum Writ to a defendant in criminal proceedings to attend court to hear judgment pronounced against him.

capias ad satisfaciendum Old name for a writ for the arrest of a defendant in civil proceedings when a judgment remained unsatisfied.

cap in hand Description of a person seeking help, like a traditional servant.

capital *Distinction from revenue*
Sum of money or asset distinguished from **revenue** or **interest**. The term has many meanings in finance depending on context.

Capital expenditure is specifically excluded as a deduction from taxable profits under Corporation Tax Act 2009 s53.

Instead the business may be able to claim a **capital allowance**.

The sale or other disposal of a capital item is not trading profit but a capital gain (chargeable gain for companies).

Capital as principal

An amount of finance provided to enable a business to acquire assets and sustain its operations.

In terms of business, capital often means the money provided to get the business started, as in **share capital**.

In terms of investment, capital means the **principal** which is invested and on which it is hoped interest will be earned.

In terms of mortgages, the capital is the sum borrowed from the

mortgagee.

capital account

Partnerships

Item in partnership accounts which indicates funds provided by the partners rather than from trading, or a similar account of funds provided by directors to a company. The account indicates the initial capital subscribed plus share of retained profits and other additions, less drawings. Unless the partners agree otherwise, interest accrues on the capital accounts at a rate of 5% a year (Partnership Act 1890 s24(3)).

Generally

The total equity of a business, including a sole proprietor.

An overdrawn capital account is treated as a loan.

The tax implications are discussed in the Inspector's Manual at BIM45705.

National accounts

Items in a country's **balance of payments** which refers to investments rather than proceeds from trade.

capital acquisition tax

Tax levied in Irish Republic on gifts and inheritances.

capital adequacy

Ability of a bank or other financial institution to meet its financial obligations.

In particular, such a business must have sufficient financing:

- to support the normal risks of trading;
- to cover weak trading in adverse conditions; and
- to allow for non-payment by customers.

There are specific rules on capital adequacy for banks set out in the **Basle Convention**.

capital allocation

Allocation of **risk capital** to units within an organisation on the basis of their possible losses. This is particularly common in financial institutions.

capital allowance

Deduction from taxable profits given instead of depreciation.

Capital allowances were introduced in 1945 as a means of modernising industry and replacing damaged equipment after the second world war. Capital allowances replaced more limited schemes, such as wear-and-tear allowances on plant introduced in 19th century and special relief for mills and factories introduced in 1919.

There are currently four types of capital allowance available:

- **first year allowance**
- **annual investment allowance**
- **writing down allowance**
- **balancing allowance.**

Historically there have also been initial allowances and investment allowances.

If an asset is disposed of a sum greater than acquisition cost minus allowances, a **balancing charge** is incurred.

From 1/6 April 1997, capital allowances have been treated as a trading

expense, and balancing charges as trading income.

The law on capital allowances is now largely contained in Capital Allowances Act 2001. This consolidated Capital Allowances Act 1990 and subsequent legislation.

- capital allowance excess** Term used in Corporation Tax Act 2010 s101 in relation to restrictions on loss relief.
- capital and interest mortgage** The most common form of **mortgage**, whereby the borrower makes a monthly repayment which repays some of the capital with the interest.
Such a mortgage may be for any period, though 25 years is the most common. At 6% the monthly repayment for £100,000 is £644.30.
In such a mortgage most of the early payments are interest. After one year only 1.6% of the capital has been repaid. It takes 17 years for half the capital to be repaid.
- capital appreciation** Amount by which assets increase in value.
- capital asset** Another name for a **fixed asset** but seen in terms of its ability to generate financial returns.
- capital asset pricing model (CAPM)** Method of valuing investments using a **discounted cashflow** on expected returns. The discount rate used is the **beta** for the investment.
- capital assets** Assets purchased for long-term investment or use, such as land, buildings and plant.
- capital at risk** In banking, a measure used to calculate a bank's capital requirements.
- capital base** Capital structure of a business.
This is basically the initial capital provided by shareholders or equivalent, plus retained profits for all years since commencement.
- capital beneficiary** Person who is beneficially entitled to receive capital, but not income, from a **discretionary trust**.
- capital bond** Bond issued by National Savings in 1989 which offers a guaranteed return over five years.
- capital bonus** Extra payment made by an insurance company on a policy.
- capital budget** Budget for spending on fixed assets.
- capital campaign** American term for an organized drive to raise substantial funds to finance major needs of an organization, including construction, renovations, or endowment.

capital clause	Clause in the a company's memorandum of association stating the amount of capital with which it intends to be registered.
capital commitments	Expenditure on fixed assets which has been authorised but not yet spent.
capital consumption	Total depreciation of a national economy's fixed assets, based on replacement costs.
capital contributed	Usual term for capital which a sole trader or partner provides to a business that is already trading.
capital contribution	<p><i>Accounting</i></p> <p>Provision of a capital sum to assist a business. The subsidiary cannot be required to bear any servicing cost or even to repay the contribution.</p> <p>Such payments are often made by a holding company to a subsidiary in preference to issuing new shares or incurring new debt.</p> <p>As it does not transfer any economic benefit, it is simply treated as a receipt within shareholders' funds.</p> <p><i>Sale of occupation income</i></p> <p>In relation to the sale of occupation income, the term is given a specific meaning in Income Tax Act 2007 801.</p>
capital conversion plan	<p>Annuity that converts capital into income.</p> <p>They are most popular with older people as a means of avoiding capital gains tax.</p>
capital costs	Expense on acquiring fixed assets.
capital distribution	<p>Distribution of capital from a company to its members, other than as a bonus issue of shares.</p> <p>The capital gains tax implications are given in Taxation of Capital Gains Act 1992 from s122.</p>
capital duty	Stamp duty charged on the issue of new shares issued by a company. It was charged from 1973 until abolished on 1 January 1988.
capital employed	How much a business is worth.
capital endowment	Fund where only the interest may be spent; the usual form of endowment fund.
capital equipment	Equipment used in a business which are fixed assets.
capital expenditure	<p>Expenditure on capital assets, such as fixed assets.</p> <p>Such expenditure is not usually deductible from taxable income (Income Tax (Trading And Other Income) Act 2005s33), but capital allowances may be claimable.</p> <p>For capital allowances, the term excludes payments that may be</p>

deducted as revenue expenses Capital Allowances Act 2001 s4(2)).

capital expenditure budget	Amount set aside in the budget to acquire fixed assets.
capital expenditure reliefs	In relation to finance leases “means any reliefs, allowances or deductions that are or have been allowed or made in respect of capital expenditure incurred in respect of the leased assets” (Income Tax Act 2007 s614BA(6)).
capital export neutrality	In economics, the situation where a country’s tax system has no effect in exports of capital as taxpayers pay the same tax rate.
Capital Financing Reserve	Money a local authority has set aside from day-to-day spending to use for capital spending or to repay loans.
capital flight	When large sums of money leave a country either because of problems in that country, or because a better return is available elsewhere.
capital flow	Another term for capital flight .
capital formation	Another term for fixed capital formation used in the national accounts.
capital fulcrum point (CFP)	Measure of the annual percentage growth required from an underlying asset to equal the capital appreciation from its associated warrants or options.
capital fund	In treasury management, a reserve that is set aside to fund future spending on assets.
capital gain	Profit on disposal of a fixed asset .
capital gains expenses	Incidental expenses incurred in acquiring fixed assets. This includes delivery, installation, site preparation and similar. Such expenses are normally added to the capital cost of the fixed asset itself.
capital gains tax (CGT)	Tax charged on capital gains, namely the profit from selling a fixed asset. Such a gain is not subject to income tax . The tax was introduced on 6 April 1965 for gains accruing from that date. It is payable by individuals, trusts, partners and (in very limited circumstances) by some companies. The tax is calculated by subtracting acquisition cost from disposal proceeds . The tax is subject to many reliefs. From 6 April 1988, CGT is generally only charged on gains from 6 April 1982 (Taxation of Capital Gains Act 1992 s39). The main legislation is Taxation of Capital Gains Act 1992.
Capital Gains Tax Regulations	SI 1969 No 149 as amended many times.

capital gap	Difference between a bank's reported capital and the amount it needed to weather the economic crisis of 2008.
capital gearing	Another term for gearing , the ratio of debt capital to equity capital.
capital goods	<p>Machinery, premises and raw materials which are used to make products.</p> <p>For income tax and corporation tax, the cost of maintaining such machines is usually a revenue expense, but the cost of replacing them is a capital item for which a capital allowance may be claimable.</p> <p>For VAT, generally no distinction is made between capital and revenue, except that large amounts spend on buildings or computer equipment can come within the Capital Goods Scheme.</p>
Capital Goods Scheme	<p>In VAT, a scheme that requires the adjustment of input tax, to reflect the extent of changes in taxable use over time for certain items of capital expenditure. This particularly affects businesses that make exempt supplies.</p> <p>The law is Value Added Tax Act 1994 s34.</p> <p>The law was introduced in 1991 with retrospective effect from 6 April 1990. Where the scheme has the effect in increasing the cost of a fixed asset, that additional cost may be subject to a capital allowance.</p>
capital grant	Grant to provide funding for buildings, construction, or equipment, rather than program or operating expenses.
capital growth	<p>Increase in the value of an asset.</p> <p>For shares, capital growth is the increase in share price relative to the price paid. It is used to distinguish this element of return from dividend income.</p>
capital import neutrality	Economic term for where the rules of a country are such that domestic and foreign suppliers of capital get the same after-tax rate of return.
capital income	Income that derives from capital, or (for some means-tested social security benefits) is deemed to derive from capital.
capital instruments	"All instruments that are issued by reporting entities as a means of raising finance, including shares, debentures, loans and debt instruments, options and warrants that give the holder the right to subscribe for or obtain capital instruments. In the case of consolidated financial statements the term includes capital instruments issued by subsidiaries except those that are held by another member of the group in the consolidation" (FRS 4 para 2).
capital intensive	Description of a business that needs large amounts of capital to make it work. Utilities such as water and electricity companies are examples.
capital interest	In the context of a controlled foreign company, this terms "means an interest in the issued share capital or reserves of the company or in a loan to or deposit with the conductor or the liability of a guarantor under a guarantee to or for the benefit of the company" (Income and Corporation Taxes Act 1988

Sch 25 para 11(4).

capital investment appraisal	Management tool of analysing future profitability in terms of capital expenditure.
capitalisation	<p>(1) Any profit of treating expenditure as a fixed asset, such as in capitalising development costs.</p> <p>(2) Turning profits into capital of the business.</p> <p>For company law, capitalisation "in relation to a company's profits, means any of the following operations (whenever carried out) —</p> <p>(a) applying the profits in wholly or partly paying up unissued shares in the company to be allotted to members of the company as fully or partly paid bonus shares, or</p> <p>(b) transferring the profits to capital redemption reserve" (Companies Act 2006 s853(3)).</p>
capitalisation issue	A bonus issue designed to capitalise some of a company's retained profit . It is also known as a scrip issue .
capitalisation of costs	When costs are not treated as expenditure but as part of the cost of acquiring a fixed asset.
capitalise	To redesignate a current asset or expenditure as a fixed asset.
capitalised value	Term used in relation to group life policies that provide a pension for the spouse or other dependant of a member. The capitalised value is used for underwriting purposes and is an approximation of the lump sum that would be required to secure the pension.
capitalism	<p>Political system which favours private property and a free market economy, with minimal government interference. It relies heavily on the law of supply and demand.</p> <p>Politically, capitalist systems are collectively known as monetarism which has become the economic policy for the main parties in Britain since 1979 in preference to Keynsianism.</p> <p>Many commentators believe that no system can have wholly unfettered capitalism, as this provides no support for the weak who cannot participate. Accordingly many now favour a mixed economy where capitalism is allowed to function where it is most effective, and the government provides some control in other areas, such as employment and welfare.</p>
capital lease	American term for a lease that does not legally constitute a purchase. The lease should still be accounted for as the lessee's fixed asset, provided appropriate conditions are met.
capital letter	Large letter, such as A B C or D, produced on computers and typewriters by pressing the shift key while typing the letter. The opposite is known as lower case .

capital levy	<p>Tax on a person's or business's possessions, a form of wealth tax. Such a tax proposed in 1914 but never implemented, with an arguable exception in 1948.</p> <p>In the UK, capital is taxed only when realised as capital gains tax. Austria, Czechoslovakia, Germany and Hungary imposed a capital levy during the first world war. Italy did in the interwar years.</p>
capital loss	<p>Loss from the disposal of a fixed asset. This may be offset against other capital gains, for the purposes of capital gains tax.</p>
capital maintenance	<p>Concept which sees profits as replacing the erosion of capital values through such things as depreciation. The concept of capital maintenance has been used in some models of inflation accounting.</p>
capital market	<p>International market where funds can be raised for business.</p> <p>There are special insolvency provisions in Insolvency Act 1986 s72B.</p>
capital market theory	<p>Theory that traders will forgo some return to avoid risk. Various model have been developed of which capital asset pricing model is the most widely used.</p>
capital money	<p>Sums paid to trustees under the Settled Land Act 1925. It must be applied for a specific purpose.</p>
capital movement	<p>Change in a nation's balance of payments.</p>
capital offence	<p>Any offence for which a person may be executed.</p>
capital outlay	<p>Another term for capital expenditure.</p>
capital payment	<p>Payment of a sum intended to be either principal on which income is earned or to acquire a fixed asset.</p> <p>The term is given a more specific meaning in Taxation of Capital Gains Act 1992 s97 in relation to payments to a non-resident trust.</p> <p>In relation to anti-avoidance for plant and machinery leasing, the term is defined in Corporation Tax Act 2009 s893(2) and Income Tax Act 2007 s809ZE(2).</p>
Capital Preservation Strategy	<p>Tax avoidance scheme that sought to minimise potential inheritance tax liabilities while mitigating the income tax liability on a lump sum.</p> <p>The scheme was rendered ineffective by the case <i>Audley [2011] TC 1084</i>.</p>
capital profit	<p>Profit made by selling a fixed asset. It is more commonly called a capital gain.</p>
capital programme	<p>A plan of future spending on capital projects such as buying land, buildings, vehicles, furniture and equipment.</p>
capital prohibition rule	<p>"Means the rule in [Income Tax (Trading and Other Income) Act 2005] section 33 (capital expenditure), as applied by section 272" (Income Tax (Trading and</p>

Other Income) Act 2005 s312(8)).

capital punishment	Criminal punishment of death, last administered in the UK in 1964 but still administered in the USA and other states.
capital rationing	In management accounting, situation where there is insufficient capital to support all the desired activities.
capital receipt conditions	Term used for anti-avoidance provisions of transfer of assets abroad . The term is defined in Income Tax Act 2007 s729.
capital receipts	Sums received of a capital nature. They are not taxed as revenue profit of a company (Corporation Tax Act 2009 s93).
capital reconstruction	Process of voluntarily liquidating a company and then selling its assets to another company with the same shareholders but with a larger capital base.
capital redemption policy	The term is defined in Corporation Tax Act 2009 s561(2).
capital redemption reserve	Account where funds are kept to pay for redeeming capital instruments. The existence of such an account prevents a reduction of capital when the instruments are redeemed. The legal provisions are set out in Companies Act 2006 s723.
capital reorganisation	Process of changing the capital structure of a business. This usually involves splitting or amalgamating shares, and possibly changing the nature of the shares.
capital requirement	Amount of money a business needs for its normal operations. In the USA, the term particularly applies to the funds that the SEC requires brokers and dealers to have and the form that such funds must take.
Capital Requirements Directive (CRD)	EU Directive 2013/36/EU on access to the activity of credit institutions and their prudential supervision. This is given effect in the UK by SI 2012 No 3118 with effect from 1 January 2014.
capital reserves	Another name for undistributed reserves .
capital resources condition	Condition in relation to the bank levy (Finance Act 2011 Sch 19 para 72). The condition is that the entity has a capital resources requirement of at least £100 million.
capital share	Shares in a unit trust which rise as the capital value of the shares rise but which do not receive any income. Most unit trusts provide both capital growth and regular income from the shares which they hold. It is possible to have a split-level trust where the capital growth and income elements are separated between capital shares

and **income shares**.

capital spending charged to revenue

Paying for capital spending direct from a local authority's revenue monies.

capital stock

American term for equity shares.

capital structure

The relative proportions of different types of **financial instrument** in providing the capital for a company.

capital subsidy

An early and unsuccessful form of income tax imposed on income and profits between 1670 and 1671.

capital sum

In relation to **disposal** proceeds for capital gains tax, "means any money or money's worth which is not excluded from the consideration taken into account in the computation of the gain" (Taxation of Capital Gains Act 1992 s22(3)).

The term also means the amount of **capital expenditure** (Capital Allowances Act 2001 s4).

capital surplus

American term for the difference between **par value** and its **issue price**. The equivalent UK term is **share premium**.

capital taxation

General term for any form of taxation of wealth. Examples include inheritance tax, capital levy and wealth tax.

capital to asset ratio

Another name for **capital adequacy**.

capital transaction

Transaction which affects a capital item, such as fixed assets or share capital, rather than a revenue item.

capital transfer tax

A tax levied between 1974 and 1986 on transfers of money either during a person's lifetime or on death.

In 1981, the cumulation period was reduced from life to ten years.

It replaced **estate duty** and was itself replaced by **inheritance tax**.

capital turnover

How quickly the capital of a business is spent to generate income. It is usually measured by the **capital turnover ratio**.

capital turnover ratio

Accounting ratio of turnover divided by average capital for the accounting period.

capital withdrawn

Term for a sole trader or partner who withdraws capital from their business. There are no restrictions on doing so.

The tax implications are discussed in the Inspector's Manual at BIM45700.

capitation tax

In international taxation, a tax charged on each person regardless of circumstances. Although common in ancient times, such a tax is now rare.

capitula	Latin: articles.
CAP licence	Common Agricultural Policy licence.
CAPM	Capital asset pricing model.
CAPO	Central Accounting Point Officer.
cap on care costs	The maximum amount that may be charged to a person to meet his or her costs of care. The term is defined in Care Act 2014 s15.
capped amount	In relation to a contribution made by an employee towards a company car, means the lower of the contribution and £5,000 (Income Tax (Earnings and Pensions) Act 2003 s132A(5) as inserted by Finance Act 2017 Sch 2).
capped drawdown	Pension drawdown subject to a maximum amount. Such schemes cannot be taken out from 6 April 2015, though existing schemes may continue subject to new rules.
capped floating rate note	Floating rate note which has an agreed maximum interest rate.
capped mortgage	Loan on a property which is a hybrid between variable mortgages and fixed rate mortgages . The rate of interest fluctuates in accordance with economic conditions but is capped so it cannot rise above a stated rate. If the mortgage also has a minimum rate below which the interest rate cannot fall, it is known as a cap and collar mortgage .
capped option	An option where the payout on exercise is subject to an upper limit.
capped prime loan	Loan in which the interest rate is restricted to a maximum.
capped rate	(1) Rate similar to a fixed rate, but the rate is guaranteed not to go above a certain level for a set period of time. It can, however, move downwards. (2) An arrangement that caps a mortgage rate for a specified period of time. On the first day of the month following expiry of the capped rate period, the interest rate changes to the then prevailing Standard Variable Rate.
capped rate mortgage	Another term for capped mortgage .
capping	A power under which the Government may limit the maximum level of local authority spending or increases in that level year on year, which it considers excessive. It is a tool to restrain increases in council tax.
cappuccino economy	Economy which shows large growth in one area while little or no growth in other areas.
capsizing	Business jargon for when so many employees are laid off (or downsized) that the business cannot function properly.

capsule wardrobe	Economical selection of clothes and accessories designed to blend together in many combinations.
captain	“Master (of a ship) or commander (of an aircraft)” (Immigration Act 1971 s33).
Captain Armstrong	Old gambling term for a jockey who deliberately loses a race by pulling a rein with a strong arm.
captcha	In computing, security procedure of presenting a word or words in an unusual and distorted form and asking the user to enter them. This is intended to ensure that a person is accessing the service, and it is not being accessed by another computer program.
caption	(1) Formal heading of a legal document, stating before whom it was made. (2) Option on an interest-rate cap.
captive	Term used to describe any person, organisation, market or similar whose freedom is restricted. The restriction may be legal, contractual or practical.
captive bank	Bank that is a wholly owned subsidiary of a multinational group and whose purpose is to provide banking services to the group.
captive factoring	Factoring of book debts to a company in the same group.
captive finance company	Finance company which is controlled by another company, such as a supplier of goods.
captive fund	Venture capital fund wholly owned by a larger body.
captive insurance company	Insurance company which is totally owned by another company, and which usually insures only the parent company's risks.
captive market	Situation where a customer has no real choice as to the supplier for particular goods or services.
capture	(1) Method of acquiring property, such as res nullius . (2) Seizure of enemy property or enemies during war. (3) In computing, process by which data are saved to a computer, such as capturing a photograph found on the Internet for later use.
caput mortuum	Latin: dead head. The term applies to something where all that is valuable has been removed, such as base material after extraction of precious metal or a learned scholar who has lost his faculties.
CAR	(1) Customer accounting record , held by HMRC. (2) Compound annual return . This provides a single comparative figure on different forms of investment. It is to investment what APR is to borrowing.

car

General

Vehicle designed primarily to carry passengers, as opposed to a **van** which is primarily designed to carry goods. It is subject to many special tax and legal provisions.

For driving licences, a car is category B if its **maximum authorised mass** does not exceed 3,500 kilograms and any trailer weighs no more than 750 kilograms.

For the purposes of reimbursement for business journeys, "means a mechanically propelled road vehicle which is not —

(a) a **goods vehicle**,

(b) a motor cycle, or

(c) a vehicle of a type not commonly used as a private vehicle and unsuitable to be so used" (Income Tax (Trading and Other Income) Act 2005 s94G(3)).

Value added tax

For VAT, new cars are standard-rated. Second-hand cars may be sold under a margin scheme. A business may not usually claim back the input tax on a car unless it is wholly used for the business, such as a driving school car, or courtesy car for a hotel. This has been the subject of much litigation.

Cars may be personally exported under a tax-free scheme, as explained in VAT notice 705. Such a vehicle may usually be re-imported to the UK, free of duty and VAT.

Capital allowances

A car qualifies for a capital allowance as **plant and machinery** but subject to various restrictions (Capital Allowances Act 2001 from s74).

A car with carbon dioxide emissions up to 110 g/km qualifies for a first year allowance under Capital Allowances Act 2001 s45D.

The annual investment allowance may not be claimed for a car (Capital Allowances Act 2001 s38B).

Expenditure on a car is not a long-life asset for the purposes of capital allowances Capital Allowances Act 2001 s96).

For leases, the word "car" is defined in Capital Allowances Act 2001 s268A.

Leased car

The tax treatment for leasing payments on a car depends on whether the lease started before 1 April 2009.

If the lease started on or after 1 April 2009, lease payments are generally tax-deductible. If the car has an emission level above 130 gm/km (160 gm/km before 1 April 2013), only 85% of the lease payment is tax-deductible, under the provisions of Corporation Tax Act 2009 s56.

If the lease started before 1 April 2009, the lease payment is restricted where the retail price of the car exceeded £12,000. The allowable hire charge is:

$$(\text{£}12,000 + P) \div 2P$$

where P is the retail price of the car when new. This provision was enacted as Income and Corporation Taxes Act 1988 s578A(3) and is continued by Finance

Act 2009 Sch 11 para 47.

Capital gains tax

A car is a passenger vehicle and is therefore exempt from capital gains tax under Taxation of Capital Gains Act 1992 s263.

Car tax

When VAT was introduced in 1973, cars were subject to 10% car tax. With the rate of 10% VAT then applicable, this gave a total sales tax of 21%. Car tax was reduced to 5% and then abolished.

Customs duty

Cars imported from outside the EU are subject to Customs duty. Since 2006, the rate has been 10%. Such a vehicle must be registered with the **DVLA**. It is illegal to drive a vehicle before registration other than to be registered or to get an **MOT certificate**.

For Customs, the procedure for importing a private motor vehicle is set out in Customs notice 3. An export licence is required for a vehicle more than 50 years old and valued at £65,000 or more, or more than 75 years old and valued at £30,400 or more.

Vehicle excise duty

Cars are subject to **vehicle excise duty** (or road tax) according to their carbon dioxide emissions.

~

Provided to an employee

If a car is provided to an employee for his private use, the employee is liable to pay income tax on the **car benefit**. This is calculated by multiplying the **list price** by a percentage, up to 35%, depending on the car's carbon dioxide emissions.

For these purposes, a car is defined as "a mechanically propelled road vehicle which is not:

- (a) a goods vehicle,
- (b) a motor cycle,
- (c) an invalid carriage, or
- (d) a vehicle of a type not commonly used as a private vehicle and unsuitable to be so used"

(Income Tax (Earnings And Pensions) Act 2003 s115(1)).

If the employer also pays for private petrol or other road fuel, the employee is also liable to pay income tax on the **fuel benefit**. This is calculated as a fixed figure, multiplied by the same percentage as used for the car benefit.

Where any employee is liable for car benefit or fuel benefit, the employer is also liable to pay class 1A national insurance.

Use of employee's

For **mileage allowances** and **passenger payments**, the term means "a road vehicle that is not a goods vehicle, motor cycle, or vehicle of a type not commonly used as a private vehicle and unsuitable so to be used" (Income

car

Tax (Earnings And Pensions) Act 2003 s235(2)).

Car hire

From 1/6 April 2009, a company may claim 85% of the cost of leasing a car that does not have low emissions. The whole cost may be claimed for a car that does have low emissions.

Before 1/6 April 2009, a company could claim the cost less a deduction calculated as:

$$\frac{\pounds 12,000 + \text{RP}}{2 \times \text{RP}}$$

where RP is the retail price of the car when new (Corporation Tax Act 2009 s56).

Previous provisions are explained under **leased car**.

Futures

The term is sometimes used for a **futures contract**.

caramel shortcake slice

Food product, of which 52% was the shortcake base and 48% caramel and chocolate. The product had a maximum life of 25 days. The VAT tribunal held that this was zero-rated food and not standard-rated confectionery (*Marks & Spencer plc. [1988] VTD 4510*).

carat

Jewellery

Traditional weight for precious stones, where 1 carat is about 1/42 of an ounce. For metric purposes, it was redefined as a fifth of a gram (Weights and Measures Act 1963 s10).

Gold

Measure of the purity of gold, where 24 carat is pure gold. This is now defined in Hallmarking Act 1973 Sch 1.

A common standard is 22 carat, which means 22 parts of gold to 2 parts of base metal.

caravan

General

Vehicle with some facilities for everyday living, such as facilities for eating and sleeping. This may be towed by a car under certain conditions. If the caravan has its own engine, it is considered to be a **motorhome**.

A car driver who passed the test before 1 January 1997 may drive a car towing a caravan provided their combined weight (**MAM**) does not exceed 8.25 tonnes. From 1 January 1997, drivers must either have a licence for category C or D vehicles to tow a caravan or trailer with a weight of more than 750 kilograms.

Legal

"Any structure designed or adapted for human habitation which is capable of being moved from one place to another (whether by being towed, or by being transported on a motor vehicle or trailer) and any motor vehicle so designed or adapted, but does not include:

- (a) any railway rolling stock.... ;

(b) any tent”

(Caravan Sites and Control of Development Act 1960 s29(1)).

Value added tax

For VAT, a caravan is zero-rated under Value Added Tax Act 1994 Sch 8 Group 9 provided its unladen weight does not exceed 2,030 kg. This is above the weight which may be ordinarily towed on a British road.

Hire of a sited caravan is standard-rated.

For VAT purposes, the maximum width changed from 20 April 2010 from 2.3 metres to 2.55 metres to reflect a change in traffic law.

Guidance on caravans is given in VAT notice 701/20.

Caravan is not defined in VAT law, but VAT notice 701/20 gives this definition:

“A structure that —

- is designed or adapted for human habitation
- when assembled, is physically capable of being moved from one place to another (whether by being towed or by being transported on a motor vehicle so designed or adapted),
- is no more than
 - 20 metres long (exclusive of any drawbar)
 - 6.8 metres wide, or
 - 3.05 metres high (measured internally from the floor at the lowest level to the ceiling at the highest level)”

There has been a case on what constitutes **removable contents** of a caravan.

~

caravan

Income tax and corporation tax

Income from a **caravan site** run as a trade where other activities are carried on may be subject to income tax (Income Tax (Trading And Other Income) Act 2005s20) or corporation tax (Corporation Tax Act 2009 s43).

This includes income from the hire of pitches.

Otherwise income from a caravan site is regarded as income from land.

Capital allowance

A caravan may qualify as plant and machinery for capital allowances. For this purpose, the term “includes, in relation to a holiday caravan site, anything that is treated as a caravan for the purposes of —

- (a) the Caravan Sites and Control of Development Act 1960, or
- (b) the Caravans Act (Northern Ireland) 1963.

(Capital Allowances Act 2001 s23(5)).

For holiday lettings, 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.

caravan site

“Means —

- (a) land on which a **caravan** is stationed for the purposes of human habitation, and
- (b) land which is used in conjunction with land on which a caravan is

so stationed”
(Income Tax (Trading And Other Income) Act 2005s20(4)).

car benefit Taxable benefit of being provided with a company car.

Carbolic Smoke Ball Name of the leading court case of 1893 **Carlill v Carbolic Smoke Ball Company**.

carbon Naturally occurring element which takes various forms including diamond, graphite and charcoal.

Carbon is present in the molecules of living matter and organic compounds. It combines with hydrogen to form various hydrocarbon oils which are subject to hydrocarbon oil duty.

The word is often used to mean the gas carbon dioxide, whose molecule comprises one atom of carbon and two of oxygen. This is produced naturally through combustion and exhalation. It is believed to be a **greenhouse gas** which has led to **climate change**.

There are many financial and tax provisions designed to reduce carbon dioxide emissions.

carbon capture and storage Process of **decarbonisation**. It is defined in Energy Act 2010 s7.

carbon copy (cc) Identical copy of a document. It was originally produced using **carbon paper**. The abbreviation is still used for e-mails.

carbon dioxide Common gas comprising molecules of one carbon and two oxygen atoms, indicated by the formula CO₂. It is produced by burning and breathing. Plant life turns the gas back to oxygen.

Because of its perceived harm in the atmosphere, there are many tax and other provisions to reduce its production.

For VAT, carbon dioxide cannot be zero-rated as a food product, even though it is used to carbonate drinks. *Gas & Chemicals Ltd. [2002] VTD 18160*.

carbon dioxide emission Amount of carbon dioxide gas in the exhaust emission of a vehicle. This is used to determine the vehicle excise duty, and the taxable benefit of a company car.

carbon offset Action which reduces carbon dioxide to compensate for other activity which generates carbon dioxide. An example is planting a tree to compensate for travel.

carbon paper Sheet of paper coated with material which makes an identical copy when pressed or typed. Before photocopiers and computers were common in offices, copies of documents were made by making up sandwiches of thin copy paper and carbon paper. Typing on the top of this sandwich of papers made copies on the sheets under the carbon paper.

carbon price Figure used to calculate **climate change levy**.

Carbon Reduction Commitment (CRC)

Name for what is now known as **CRC Energy Efficiency Scheme**. It requires large public sector bodies to reduce carbon dioxide emissions by 10%.

CARD

Consolidated Admissions and Reporting Directive.

card catalogue

Another name for a **card index**.

card clash

Problem that arises when a reader of credit and debit cards detects two or more cards and does not know which one to charge. This has been a problem with **Oyster** cards used for travel in and around London. A green light on an Oyster reader means that one card has been charged. A red light means that no payment has been charged.

car hire

This may be allowed as a business expense. Unless the car has low emissions, 15% of the expense is disallowed.

For investment companies, this provision is given in Corporation Tax Act 2009 s1251.

cardinal number

Ordinary number which denotes quantity but not order, such as 1, 2, 3, 4, 5 etc. as indicating 1, 2, 3 etc *of* something.

Numbers which denote order (such as 1st, 2nd etc) are called **ordinals**.

cardinal virtues

Justice, prudence, temperance and fortitude. Traditionally all other virtues follow from these four.

card index

System of recording data on cards which are filed in a box.

card in pocket

Situation where a person retains membership of a trade union, professional body or other work-related organisation even though the person is no longer engaged in relevant work. In such a case, the subscription may no longer be a tax-deductible expense.

The term was particularly used in relation to the controversy of removing the right to belong to a trade union at GCHQ.

cardiopulmonary resuscitation

"Means a combination of expired air ventilation and chest compression" (VAT notice 701/1). If provided by a charity, such a service may be zero-rated.

card ledger

Manuscript ledger where the records are kept on a file of cards, rather than in a bound book.

card punch

Machine for punching cards, particularly the cards once used on computers.

card reader

Old piece of computer equipment where data were input from **punched cards**.

cards

National insurance

For national insurance, a card provided for an individual to record national insurance payments. These were generally abolished in 1973, though they

remained until 1993 for class 3.

Employment

The expression "to give someone their cards" means to dismiss someone, even though a class 1 national insurance card has not been issued since 1973 and the P45 tax certificate has never been produced on card.

Playing cards

Playing cards were once subject to excise duty which was evidenced by an ornate design on the ace of spades.

Value added tax

Various tribunal decisions have held that packs of cards containing textual information does not qualify for zero-rating as a book. An early case consisted of cards with questions about road signs and the Highway Code for learner drivers (*Flipcards Ltd [1995] VTD 13916*).

The tribunal has ruled that a leaflet must be limp and has therefore refused zero-rating for tax cards (*Tax Briefs Ltd [1991] VTD 9258*), prayer cards (*Christian Art Ltd [1990] VTD 5940*), recipe cards (*International Master Publishers Ltd [1991] VTD 8807*) and cards that reproduced paintings (*Philip Green Education Ltd [1997] VTD 15669*).

card sorter

Piece of equipment once used with computers when data were entered on **punch cards**. The sorter put the cards into the desired order before being put into the **card reader**.

card vote

Voting system where each person votes according to the number of people he or she represents.

care account

Account a local authority is required to keep in relation to providing care for an adult (Care Act 2014 s29).

care and control

Legal term for the old right of a parent to have physical possession and control over a child. The matter is now dealt with as **parental responsibility**.

care and maintenance

Term used in relation to a fixed asset, such as a building, machine, vessel or vehicle. It is particularly used for assets not in current use but which are being maintained for prompt use if required.

care and support employer

For PAYE, "means an individual ("the employer") who employs a person to provide domestic or personal services at or from the employers home where —

(a) the services are provided to the employer or a member of the employer's family,

(b) the recipient of the services has a physical or mental disability, or is elderly and infirm, and

(c) it is the employer who delivers the [tax] return (and not some other person on the employer's behalf)." (PAYE regulations SI 2003 No 2682 reg 67D(10) and reg 206(4)).

HMRC may excuse such an employer from making RTI returns on-line.

care and support plan	Document produced by a local authority in relation to the needs of an adult and how those needs are to be met (Care Act 2014 s25).
care and support provision	“Means — (a) provision to meet adults’ needs for care and support (b) provision to meet carers’ needs for support, and (c) provisions of services, facilities or resources, or the taking of other steps, under section 2” (Care Act 2014 s3(2)).
care component	<p>One of the two components that make up the disability living allowance. The other is the mobility component.</p> <p>The care component is paid at one of three rates depending on the severity of the disability.</p> <p>The highest rate is paid for a claimant who:</p> <ul style="list-style-type: none">• requires frequent attention during the day and prolonged or repeated during the night for attention to bodily functions or to avoid substantial danger to himself or others; or• who is terminally ill. <p>The middle rate is paid for a claimant who needs such attention during the day <i>or</i> the night.</p> <p>The lower rate is paid for a claimant who needs help with bodily functions during the day, or who cannot cook for himself or herself (the cooking test).</p>
care contact order	Order of a court allowing a local authority to restrict contact with a child in care, under Children Act 1989.
career	Occupation in which a person spends his working life, particularly if he intends to rise in seniority.
career centre	In human resources, a facility within an organisation to provide outplacement counselling and job placement services to displaced employees.
career choke	Situation where a woman has to accept low-paid work to obtain the flexibility she needs to look after children.
career development	In human resources, process by which an individual establishes his or her current and future work objectives, and assesses their skills and knowledge to achieve those objectives.
career ladder	In human resources, progression of jobs in an organisation from lowest to highest. It is widely used to establish pay rates.
career mobility	In human resources, tendency of an individual to make career changes rather than sticking to a single career.

career path	In human resources, progression of an individual from junior positions to senior ones.
career planning	In human resources, process of establishing career objectives, and developing a strategy to achieve that objective, such as by further training.
career plateau	In human resources, the point at which an individual has reached the highest position he or she can within an organisation.
care home	<p>This is a trade related property.</p> <p>For the personal independence payment, this is defined as “an establishment that provides accommodation together with nursing or personal care” (Welfare Reform Act 2012 s85(3)).</p> <p>The same definition is used in Taxation of Capital Gains Act 1992 s225E(8) as inserted by Finance Act 2014 s58(3), in relation to mains residence relief from capital gains tax.</p> <p>For VAT, the construction of a care home is generally zero-rated whereas the construction of a hospital is standard-rated. The difference is that a hospital provides medical treatment. Following the case <i>Pennine Care NHS Trust TC4998</i>, HMRC now accepts that a building may be regarded as a care home even if it provides medical treatment, provided that at least 95% is used by residents. This was stated in HMRC Brief 2/2017 of 28 July 2017.</p>
care home resident	Such a resident is not entitled to the daily living component of the personal independence payment (Welfare Reform Act 2012 s85).
care leaver	Person who is leaving the care of a local authority. The term is used in Children Act 2004 s9.
careless	<p>For tax penalties, an inaccuracy is careless “if the inaccuracy is due to failure by P [taxpayer] to take reasonable care” (Finance Act 2007 Sch 24 para 3(1)).</p> <p>An inaccuracy is also careless if originally it was neither careless nor deliberate, but the taxpayer did not notify HMRC of it within a reasonable time of discovery (Finance Act 2007 Sch 24 para 3(2)).</p>
careless inaccuracy	In Scotland, the condition for a tax penalty. “An inaccuracy is careless if it is due to a failure by P [taxpayer] to take reasonable care.” (Revenue Scotland and Tax Powers Act 2014 s182(4)).
care or control	Protection, guidance and discipline of a child. A court may make an order in care proceedings if satisfied that the child is in need of care or beyond control.
care order	Order made by a court under Children Act 1989 that requires a local authority to care for a child.
care proceedings	Legal action to establish the care of a child.
carer	<p>Definition</p> <p>(1) For an adult, “means an adult who provides or intends to provide care for another adult (an “adult needing care”) (Care Act 2014 s10(3)).</p>

- (2) For a child, “includes —
- (a) a parent of the child who does not have parental responsibility for the child, and
 - (b) a person who is not a parent of the child but who has parental responsibility for the child”
- (Care Act 2014 s58(6)).

Tax provision

A residential carer is not charged to tax for the benefit in kind of bring provided with accommodation. This continues the exemption beyond 6 April 2016 when the P11D limit is otherwise abolished.

The definition of carer and tax provisions are given in Income Tax (Earnings and Pensions) Act 2003 s306A as inserted by Finance Act 2015 s14.

carer element	An addition to pension credit .
care relief	Generic term for the various income tax reliefs allowed to foster carers, shared life carers and similar.
carer's allowance	<p>Social security benefit payable to someone who looks after a severely disabled person. It replaced invalid care allowance on 1 April 2003.</p> <p>The carer must provide care “regularly and substantially”. In practice this means looking after a person for at least 35 hours in every week for periods which, broadly, are 22 weeks out of 26.</p> <p>Only one allowance is paid per disabled person. The allowance can only be for one person, so a carer cannot claim for spending 20 hours a week for looking after two people. The allowance cannot be claimed by anyone who is employed or in full-time education. The carer must be at least 16; there is no upper age limit.</p> <p>Entitlement does not depend on national insurance contributions, although the amount can vary according to the claimant's circumstances. While the allowance is being claimed, the carer is automatically credited with class 1 national insurance contributions. The allowance may be paid without time limit while relevant conditions are met.</p> <p>The payment is subject to income tax (Income Tax (Earnings And Pensions) Act 2003 s660(1)).</p>
carer's assessment	An assessment a local authority may be required to make into services for a carer under the provisions of Care Act 2014 s10.
carer's assistance	Money or other assistance that may be provided in Scotland under Social Security (Scotland) Act 2018 s28.
caret	The mark ^ to indicate where text is to be inserted.
care, treatment or instruction	<p>Term used to determine whether welfare services qualify for zero-rating under Value Added Tax Act 1994 Sch 7 Group 9.</p> <p>“Care treatment and instruction includes the protection, control or guidance of an individual when this is provided to meet medical, physical,</p>

personal or domestic needs.

“Examples include:

- personal or nursing care (including assistance with bathing, dressing, toileting and other personal hygiene)
- general assistance and support with everyday tasks such as form-filling, letter reading/writing, bill-paying
- certain **routine domestic tasks**
- counselling
- looking after or supervising vulnerable people
- support or instruction designed to develop or sustain a person's capacity to live independently in the community
- protection, control, guidance or companionship that is required to meet an individual's personal or domestic needs and
- residential care, including accommodation, board and other services provided to residents as part of a care package” (VAT leaflet 701/2).

care worker

Person employed to look after someone.

In relation to the crime of ill-treatment or neglect, the term is defined in Criminal Justice and Courts Act 2015 s20(3).

Carey Street

Colloquialism for bankruptcy. It is a street in London where the bankruptcy courts once were.

car fuel

Petrol, diesel or other fuel used to run a car.

When an employer pays for such fuel for an employee's private use, a tax charge arises under Income Tax (Earnings And Pensions) Act 2003 s149. This is in addition to any charge for the car itself.

If the employer claims back VAT on fuel for cars where there is private use, the employer must make a VAT adjustment. The law and relevant tables are given in Value Added Tax 1994 s57.

cargo

Goods shipped for carriage. It excludes personal luggage.

cargo carrier

Home Office term for carriers which operate cargo-only flights, including mail flights.

Cargo Community System (CCS-UK)

Customs term for computerised cargo processing system that controls goods in an inventory linked environment. It consists of a central database and a “switch” to transfer messages between the various computer systems connected to it.

car hire

For income tax and corporation tax, a car acquired to be hired qualifies for plant and machinery capital allowance up to a limit.

From 1/6 April 2009, the whole car hire is allowable provided the carbon dioxide emissions do not exceed 160g/km. For cars with higher emissions, only 85% of the cost is tax-deductible (Income Tax (Trading And Other Income) Act 2005s49).

For periods before 1/6 April 2009, the annual writing down allowance

was restricted to £3,000 (25% of £12,000).

Caribbean Basin Initiative US scheme introduced in 1983 under Caribbean Base Economy Recovery Act 1983. Its main provision was to allow donations to the Caribbean country if it agreed to provide tax data on individuals and businesses.

Caribbean Basin Report Report produced in 1984 on how the **Caribbean Basin Initiative** was working.

Caribbean Community Organisation of 15 Caribbean nations and dependencies. Its aim to co-ordinate economic policy. With the Dominican Republic, they also form **Cariforum**.

Caricom **Caribbean Community**.

Cariforum Subgroup of African, Caribbean and Pacific states that co-operate on economic dialogue with the European Union. The term is a contraction of Caribbean Forum.

It was formed in 1992 and comprises the 15 Caribbean Community states plus the Dominican Republic. They signed an economic partnership agreement with the EU in 2008.

Carillion Company which had more than 450 public sector contracts, particularly in construction and service provision. It went into liquidation on 15 January 2018.

caring responsibilities For the purposes of expenses of a Member of Parliament, the term is defined in Finance Act 2013 s10(7).

Carlill and Carbolic Smoke Ball Company

Leading court case from 1893 which established, among other precedents, that it is possible to make an offer to contract with the whole world.

car loan Personal loan, marketed specifically to buy a car.

Many car dealers have arrangements with finance companies to assist in the sale of cars. Buyers should remember that such a loan is an independent transaction from buying the car itself. It may also not be the most attractive. Most dealers are prepared to sell a car for less if the buyer can find the cash.

The term of the loan should not exceed the period the buyer expects to keep the car. The average life of a car in Britain is eight years. If it is intended to keep a car in pristine condition, it should be replaced after two years.

Carnegie UK Loan Fund Leading social lender to financially excluded households.

Carney, Mark Canadian banker (1965-) who was became Governor of the Bank of England on 1 July 2013, having previously held a similar position in Canada.

carolus Gold coin issued in the reign of Charles I. It was originally worth 20 shillings, and later 23 shillings.

carousel fraud	Form of missing trader fraud where goods are repeatedly sold between businesses in different EU member states as a means of illegally absconding with VAT input tax.
carp	<p>Fish whose species could be both edible and ornamental. As a result it is not always clear whether they can be zero-rated as food for VAT.</p> <p>A koi carp was standard-rated as, although edible, it would be disproportionately expensive as food and there was no evidence that anyone had eaten one (<i>J R Chalmers [1982] VTD 1433</i>).</p> <p>A Dinkelsbuhl carp was similarly standard-rated, even though the VAT tribunal initially allowed zero-rating (<i>R T Lawson-Tancred. QB [1988] STC 326</i>).</p>
car panning	Trading with drivers stuck in congestion or at traffic lights, such as by offering to clean the windscreen or selling flowers.
car parking	From 6 April 1988, an employer's provision of car parking at or near the place of work is exempted as a taxable benefit in kind under Income Tax (Earnings And Pensions) Act 2003 s237.
carpe diem	Latin: seize the day. In other words, enjoy yourself while you can. The expression is a quote from Horace's work <i>Odes</i> of 23 BC.
carpetbagger	<p>Person who engages in an activity with a view to gaining a quick benefit. The term was particularly applied to people who invested in a building society in the hope of receiving a windfall payment when it demutualised.</p> <p>The term originally referred to an American from one of the Northern States who went south during the post-civil war reconstruction of 1865 to 1877 to profit from its instability. Such a person took a bag made of carpet (then a common form of luggage) to store their gains.</p>
Carr, Robert	English Conservative politician (1916-2012) who was Shadow Chancellor from 4 March 1974 to 11 February 1975.
carriage	<p>(1) Transport of goods between places.</p> <p>(2) The goods themselves or the vehicle that carries them.</p> <p>(3) Upper part of traditional typewriter which holds the paper and travels from right to left as each line of type is produced.</p>
carriage by air	There are special laws relating to the carriage of people and property by air, such as Carriage by Air Act 1961. This limits the amount of compensation payable.
carriage forward	Commercial arrangement where the customer pays the carriage charge.
carriage free	Commercial arrangement where the supplier makes no separate charge for carriage.
carriage inwards	Delivery expenses incurred when purchasing goods.

carriage outwards	Delivery expenses incurred when selling goods.
carriage paid	Commercial arrangement where the seller has already paid the carriage charge to the customer.
carriage tax	Excise duty charged between 1747 and 1869 for the few carriages able to use the poor roads.
carried-back amount	Term used in Corporation Tax Act 2010 s12 in relation to accounts not prepared using sterling as currency.
carried forward (c/fwd)	Sub-total of a page to be taken to start of next page in traditional bookkeeping.
carried-forward amount	Term used in Corporation Tax Act 2010 s13 in relation to accounts not prepared using sterling as currency.
carried-forward loss	Loss carried forward from an earlier accounting period. The term is defined in Corporation Tax Act 2010 s730F (as inserted by Finance Act 2015 Sch 3 para 1) in relation to restriction on tax relief for such losses.
carried-forward management expenses	Expenses carried forward from an earlier accounting period. The term is defined in Corporation Tax Act 2010 s730F (as inserted by Finance Act 2015 Sch 3 para 1) in relation to restriction on tax relief for such losses.
carried-forward non-trading loss	Non-trading loss carried forward from an earlier accounting period. The term is defined in Corporation Tax Act 2010 s730F (as inserted by Finance Act 2015 Sch 3 para 1) in relation to restriction on tax relief for such losses.
carried-forward trading loss	Trading loss carried forward from an earlier accounting period. The term is defined in Corporation Tax Act 2010 s730F (as inserted by Finance Act 2015 Sch 3 para 1) in relation to restriction on tax relief for such losses.
carried interest	For the purposes of disguised investment management fees, this term is specifically defined in Income Tax Act 2007 s809Ezc as inserted by Finance Act s21. For investment management services that involve a partnership, there are tax provisions in Taxation of Capital Gains Act 1992 s103KA as inserted by Finance (No 2) Act 2015 s43(1).
carrier	Person who operate the business of transporting people or goods.
carrier bag	<i>General</i> Cheap bag made of plastic and provided free for shoppers to use to carry their

purchases. The average plastic bag weighs 8 grams and is used for 20 minutes.

There have been various attempts made to restrict their use to prevent damage to the environment when discarded. These include charges introduced in the UK between 2011 and 2015. Many other countries have made similar provisions. Reusable bags, including "bags for life" are usually exempt from such charges.

Such bags are sometimes called **vest bags** as they look like a vest.

Charges

From 1 October 2011, a charge must be made when a single-use carrier bag is provided in Wales, even when used to deliver goods outside Wales.

Northern Ireland introduced a similar charge from 8 April 2013. From 19 January 2014 this is also charged on reusable carrier bags sold for less than 20p.

Scotland introduced a similar charge from 20 October 2014

England introduced the charge from 1 October 2015, but it is compulsory only for stores with more than 250 employees.

All four parts of the UK charge 5p with a recommendation that the proceeds be given to charity. There are many exemptions, such as for wrapping uncooked meat. The exact scope varies. The move has generally been welcomed, and resulted in a reduction of use of between 80% and 96%.

If the supplier is VAT-registered, the bag is regarded as a supply for 4.17p on which 20% VAT (0.83p) has been imposed. This is treated as output tax. Guidance is provided in HMRC Brief 23/11.

carrier pre-select	Rule which allows customers of any telecommunications network to route their calls through another network of their choosing.
carrier representative	Person appointed by a carrier to be the main contact with the Home Office's UK Border Agency's e-Borders programme.
carrier's lien	Right of a carrier to retain possession of goods until paid for carriage or freight.
carrot	Colloquialism for an incentive, from the expression carrot and stick .
carrot and stick	Means of persuasion comprising both incentive and punishment. The introduction of e-filing of PAYE had the carrot of incentive payments for those who started early, and penalties for those who started late. The term comes from an allusion of making a donkey walk.
carrot equity	Option for a manager or investor to participate in a company if the company meets certain criteria.
carrot switching	Illegal practice of self-checking out expensive fruit and vegetables (like avocados) as carrots, which have one of the lowest prices per weight of any natural product. The term was coined in 2018.
carry	(1) Bear the cost of. (2) Term used by private equity companies to describe the percentage of the

profits earned by the company after it has paid back the investors. This is taxed as a capital gain rather than as income, making private equity tax efficient.

carry back

General

When an amount is transferred to an *earlier* period.

This is rare in accountancy though there are some tax provisions that permit this.

Loss relief

For **loss relief**, the term refers to a provision in Corporation Tax Act 2010 s37 where a loss may be offset against a profit in the previous accounting period. In the final year of a business, a loss may be carried back against profits of the three previous years.

For accounting periods that ended between 24 November 2008 and 23 November 2010, there was a limited right to offset a loss against profits of the three previous years.

For **post-cessation receipts**, corporation tax provisions are given in Corporation Tax Act 2009 s198.

Pensions

For **pensions**, the term was used for offsetting pension contributions against income for the previous tax year. This was abolished from 6 April 2006.

carry both ends of the log

Australian slang for when one person does the work assigned to two people.

carry down

To take the closing balance of an account at the end of a period as the starting balance of the same account for the next period.

carry forward

(1) In accountancy and bookkeeping, when a figure from the end of one period or from one page of a book is taken to the beginning of the next. The closing figure of one period or one page is the opening figure of the next.
(2) A tax term for any provision where an expense or loss in an accounting period may be offset against income of another.

For **loss relief**, the term means the right to offset a loss against the profits of the same trade in any future accounting period. Provided the same trade continues, a loss may be carried forward indefinitely. This is given in Income Tax Act 2007 s83 for individuals, and Corporation Tax Act 2010 s45 for companies.

For **pensions**, the term was a misnomer for the curious tax provision which allowed pension contributions to be offset against taxable income for the previous six tax years, starting with the earliest. This was abolished from 6 April 2006.

carry-forward losses

Term used in Corporation Tax Act 2010 s95 in relation to government investment written off.

carry-forward property loss relief

When a loss from a property business may be **carried forward** against profits

of future years (Income Tax Act 2007 s118).

carry-forward trade loss relief The relief whereby a loss from a trade may be carried forward indefinitely for offset against future profits (Income Tax Act 2007 s83). See **carry forward**.

carrying amount Value of an asset as shown on the balance sheet. For a **fixed asset**, this is usually its **net book value**.

For accounting standards, it is defined as "the amount at which an asset or liability is recognised in the statement of financial position" (FRS 102 glossary).

International Accounting Standards give the term two definitions:

- "the amount at which an asset is recognised after deducting any accumulated depreciation (amortisation) and accumulated impairment thereon" (IAS 16 para 6; IAS 36 para 6; IAS 38 para 8)
- "the amount at which an asset is recognised in the statement of financial position" (IAS 40 para 5; IAS 41 para 8).

carrying broker Member of a commodity exchange through whom another broker, who is not a member of that exchange, transacts business.

carrying charges Costs of storing a physical commodity. This includes such elements as storage charges, insurance and interest. Carrying costs are usually reflected in the difference between future prices for different months.

carrying cost Expense of holding stock for an accounting period. Such costs typically include storage and insurance.

carrying on a business In Scotland, this is specifically defined as including:

- "(a) the letting of property,
- (b) the activities of a charity, and
- (c) the activities of a local authority and any other public authority."

(Revenue Scotland and Tax Powers Act 2014 s121(1)).

carrying value For **loan relationship**, the term is defined in Corporation Tax Act 2009 s317.

For contracts that relate to embedded derivatives, the term is defined in Corporation Tax Act 2009 s702.

carry over Value of stock held at the start of an accounting period.

carry trade International financing by borrowing a currency heavily to buy other assets.

From 2003 to 2008, there was a carry trade in the Japanese yen. If the currency rises too high, there is a risk that the trade could implode with serious consequences for participants.

car seats Car seats for children may be reduced rated for VAT under Value Added Tax 1994 Sch 7A Group 5. The seat must come within the definition of a **safety seat**.

car sharing There is no taxable benefit in kind when an employer provides certain assistance to employees when a car sharing arrangement has broken down

(Income Tax (Earnings And Pensions) Act 2003 s248).

car sticker

For VAT, a car sticker cannot be zero-rated as a leaflet (*Arbroath Herald Ltd [1975] VTD 182*).

Carta Mercatoria

Latin: charter of merchants.

A charter granted in 1303 by Edward I to provide (among other things) exemptions to foreign merchants from certain taxes.

car tax

A sales tax once charged on new cars.

When VAT was introduced on 1 April 1973, cars were subject to 10% car tax plus 10% VAT, giving a total tax charge of 21%. The rate of car tax was halved to 5% on 10 March 1992, and the tax was abolished on 13 November 1992. Caravans paid car tax on 60% of their value. Car tax was not charged on any other vehicles.

The term is sometimes (wrongly) also used to mean **road tax** or **vehicle excise duty**.

cartage

Charge for carrying goods.

Carte Blanche

Charge card first issued in 1958 by Hilton Hotels. The company was acquired in 1981 by Citicorp who phased it out in preference to **Diners Club**.

cartel

Arrangement when a group of people work together to fix a **market**, such as when different suppliers of the same product agree to fix a minimum selling price or agree that they will each supply in one area only. Cartels are illegal.

Carter Commission Report

Canadian report of 1967 on how individual's foreign income should be taxed.

cartouche

Ceremonial banner used as a design feature, such as on the reverse of William III crowns.

cartridges

Items in the list of **explosives** for which there may be special Customs provisions (Explosives Act 1875 s3(1)).

cartwheel

Nickname given to the large two-pence coin minted in 1797. It is the largest British currency coin minted, weighing two ounces (56.7 grams). The coin was unpopular because of its size and weight and was never struck again. A coin half the weight was minted for one penny.

carucage

A tax levied between 1194 and 1224.

carve out

Remove a section, such as from a business to create a new business.

ca sa

Capias ad satisfaciendum. This is an old term for a writ to arrest a person in a civil action when judgment has been obtained against the person but the judgment has not been satisfied.

CASC

Community amateur sports club.

cascade shareholdings	Arrangement where a company has a shareholding in another company which has a shareholding in another company, and so on.
cascading	<p>Consequence of a gross receipts tax whereby items are taxed more than once. The UK has never had a gross receipts tax, but several European countries has such taxes before they adopted value added tax.</p> <p>The tax was charged on the total sales of a business, so an item that passed from several manufacturers or suppliers could suffer tax several times. VAT avoids this by refunding the tax paid by the purchaser.</p>
case	<p>Tax disputes</p> <p>In relation to resolving tax disputes, the term is given this specific meaning: “a Case is the sum total of all of the individual risks that are not finally concluded at any one time in relation to a particular business (which, for the avoidance of doubt, includes all of its group associates) or individual or other entity. It does not matter in which part of HMRC an individual risk is being dealt with as all individual risks are aggregated for the purposes of determining the value of a case.” (HMRC Notice of 20 December 2013).</p> <p>Alcoholic liquor</p> <p>“In relation to dutiable alcoholic liquor, means 1 dozen units each consisting of a container holding not less than 65 nor more than 80 centilitres, or the equivalent, of that number, of such units made up wholly or partly of containers of a larger or smaller size” (Alcoholic Liquor Duties Act 1979 s4(1)).</p> <p>Other meanings</p> <p>(1) Legal action (2) Division of former income tax schedule D or E.</p>
cased set	For coins, a collection in a case, such as a set of coins for a particular year.
Case I loss	Loss made under what was Schedule D Case I. For corporation tax purposes, this is now known as section 35 loss in reference to Corporation Tax Act 2009 s35.
Case I profit	Profit made under what was Schedule D Case I. For corporation tax purposes, this is now known as section 35 profit in reference to Corporation Tax Act 2009 s35.
case law	Decisions of court cases that collectively provide guidance on interpreting the law.
case law trust	<p>“Employee share ownership trust or general purpose [employee benefit trust] which relies on tax case law rather than specific legislation as authority for allowing tax deductions on employers’ contributions” (Inspectors’ Manual at BIM 44001). Further details are given at BIM 44140.</p> <p>The main cases are <i>Heather v PE Consulting Group Ltd</i> 48 TC 293; <i>Rutter v Charles Sharpe Ltd</i> 53 TC 153; <i>Jefferies v Ringtons Ltd</i> 58 TC 680; <i>E Bott Ltd v Price</i> 59 TC 437; <i>Mawsley Machinery Ltd v Robinson</i> [1998] SpC170.</p>

case management	Rights to manage the conduct of a court case or tribunal hearing. For tax tribunals, these rights are set out in The Tribunal Procedure (First-tier Tribunal) (Tax Chamber) Rules SI 2009 No 273 rule 5.
casemate	Bomb-proof vaulted chamber.
case money	In gambling, emergency money.
case specific	Term used by HMRC to describe a tax query that relates to a particular individual or business, rather than to tax law and rules generally.
cases involving unusual or novel features	Term used in HMRC Notice of 20 December 2013 about resolving tax disputes. Such a case should be referred to the Tax Disputes Resolution Board for guidance.
case stated	Statement of relevant facts by a court or tribunal for consideration by a higher authority.
Case VI loss	Loss incurred by a company on its Schedule D Case VI activities (miscellaneous income). Loss relief may be claimable under Income and Corporation Taxes Act 1988 s396.
cash	<p>Money in readily spendable form. The term is imprecise and is used differently depending on the context.</p> <p>Its narrowest meaning is legal tender note and coins, but in accounting, cash usually means liquid funds such as currency plus money in bank accounts. It is the most liquid current asset.</p> <p>For accounting standards, FRS 102 defines the term as “cash on hand and demand deposits”. For International Accounting Standards, the same definition appears in IAS 7 para 6.</p> <p>Businesses that handle large amounts of cash may need to register under money laundering regulations.</p> <p>Anyone coming into the UK with more than €10,000 euros (or equivalent value in any other currency) must declare this to Customs.</p>
cashable	Description of an item that can easily be converted to cash .
cash account	Account which records the receipt and expenditure of cash.
cash accounting	<p>Accounting</p> <p>Term for accounting system which records transactions when payment is made rather than when the transaction occurs. Sales and purchases are not recorded when made but when paid for. The opposite is accruals accounting.</p> <p>Cash accounting is only appropriate for individuals and small businesses. There is also cash basis accounting for income tax.</p> <p>Income tax</p> <p>HMRC allow cash accounting for income tax purposes in activities where payment is uncertain, such as for barristers and authors. Charities may only</p>

use cash accounting up to a certain limit.

Cash accounting may only be used for a few occupations where there is reasonable, such as authors. Professional people are generally not allowed to use it from 6 April 2001.

Value added tax

For VAT purposes, cash accounting is allowed up to a limit.

cash advance	Providing cash to someone, such as an employee, to help pay for future expenditure.
cash against documents (CAD)	Terms of trade whereby the seller is paid when certain documents are presented to the bank. These are typically shipping documents in international trade.
cash analysis	Exercise book or pad of paper ruled with columns for recording amounts as a means of analysing income and expenditure into categories.
cash and carry	(1) Large store where goods may be bought in bulk provided immediate payment is made. (2) Transaction which can sometimes make a profit on a futures market, particularly the London Metal Exchange. If the spot price for the commodity plus warehousing, insurance etc for three months is less than the futures market price for three months, the commodity may be bought and sold for a profit.
cash and equivalents	Amount that an entity holds as cash or can quickly and easily convert to cash. The latter group includes bullion coin, National Savings certificates, government bonds and bankers' acceptances. These items are usually shown simply as "cash" on the balance sheet.
cash and new	In investing, deferment of a settlement when securities are sold in one period and bought back in another.
cash back	<i>Retail trade</i> Arrangement whereby a supermarket or other retailer will allow a customer to add a sum to their shopping bill to receive back as cash when paying by debit card . So someone who buys £100 worth of goods may have £120 charged to the card and be given £20 in cash. <i>Mortgage</i> A type of mortgage where the lender pays a sum to the borrower when the mortgage finishes. Such a mortgage is usually subject to many restrictions, such as high redemption penalties if the borrower wishes to pay it off early. <i>Inducement</i> A sum paid by a supplier to a customer to persuade them to make a transaction. This includes when an intermediary agrees to share commission with a client. The tax position of such payments is explained in Statement of

Practice SP4/97.

- cash back credit card** A **credit card** which allows a cash discount as a form of **loyalty scheme**.
The discount is usually in the range of 0.5% to 1.5% with higher figures for special introductory offers. Such a card is only cost-effective if the user pays the whole balance off each month.
- cash balance** Balance on a **cash account**. This ignores the amount owed or owing by the person or business.
- cash balance arrangement** In pensions, a form of **money purchase arrangement** where the benefit received is not entirely dependent on what the fund will buy when the scheme is crystallised for a member. Such an arrangement may have elements of a **final salary** scheme, such as so much per year's service.
Such arrangements are often not fully funded during the member's working life, but are funded at the moment of crystallisation.
The term is defined in Finance Act 2004 s152(3).
- cash basis** Using **cash accounting**.
The special tax provisions allowing for cash basis for small businesses is contained in Finance Act s17 and Sch4.
Deductions allowed at a fixed rate are set out in Income Tax (Trading and Other Income) Act 2005 from s94B.
A trader may use the scheme up to a threshold of £150,000 from 6 April 2017. Previously the threshold was the same as the VAT threshold (which was £83,000 in 2016/17). A trader may remain in the scheme until turnover reaches double the threshold.
- cash book** **Book of prime entry** for recording cash transactions.
- cash budget** Budgeted figures for income and expenditure.
- cash card** Plastic card, the same size as a **credit card**, which allows the person to withdraw cash from **automatic teller machines**.
The user keys in a four-digit **PIN number** and states the amount he or she wishes to withdraw. The cards can sometimes be used for other purposes, such as checking the balance on the account or ordering a statement.
Sometimes **credit cards** or **debit cards** may also be used as cash cards.
- cash collateral** Under a stock lending arrangement, "an amount of money [that] is payable to or for the benefit of the lender for the purpose of securing the discharge of the requirement to transfer the relevant securities back to the lender" (Income Tax Act 2007 s597(1)(b)).
- cash consideration** In relation to company law on buying shares, "means —
(a) cash received by the company,
(b) a cheque received by the company in good faith that the directors have no reason for suspecting will not be paid,
(c) a release of a liability of the company for a liquidated sum,
(d) an undertaking to pay cash to the company at a future date, or

(e) payment by any other means giving rise to a present or future entitlement (of the company or a person acting on the company's behalf) to a payment, or credit equivalent to payment, in cash" (Companies Act 2006 s583(3)).

cash conversion	Measure of how much of a business's profits are converted to cash, particularly in the form of dividends.
cash cost	Cost of production at site level, particularly in mining. This includes all site costs, including transport, refining and administration, plus an amortisation of other overheads.
cash counter	<p>A machine which counts coins or bank notes.</p> <p>A coin counter usually comprises a large hopper into which coins are poured. The machine sorts them according to denomination and sends them to the appropriate section. A further section takes coins which do not match the criteria of any coin, such as foreign coins, washers and counterfeit coins.</p> <p>A banknote counter is a machine which accurately counts banknotes, usually by weighing them.</p>
cash cow	Product or service which can be relied on to generate income for a business which can use it to fund other activities.
cash-credit	In banking, account which includes an element of loan that the customer may call down at will.
cash crop	Crop grown for the purpose of generating income rather than to feed those who grow it. The term is particularly used when considering national economies.
cash cycle	Time it takes from paying cash for goods to receiving cash from their subsequent sale.
cash deal	<p>Transaction where it is agreed that payment will be made in cash. This usually results in a lower price.</p> <p>A cash deal can be justified as it avoids the seller the cost or borrowing and the expense of credit control. Sometimes cash deals are done to avoid the need to produce any paperwork with a view to evading tax.</p>
cash declaration	The duty of anyone entering the UK from outside the European Union, or leaving the UK to go outside the European Union to declare any amount of cash with them which exceeds €10,000 (around £7,000). This duty was introduced from 15 June 2007 to counter money laundering .
cash desert	Place where it is difficult for individuals to get cash because of a lack of banks and cash machines.
cash desk	Place in a shop or other premises where payments are made or received.

cash discount	Reduction in price offered when a customer pays cash.
cash dispenser	Machine which provides cash in the form of notes or, rarely, coins. The commonest example is the automated teller machine .
cash dividend	Dividend in the form of cash rather than bonus shares.
cash down	Description of purchase where full payment is made at the time.
cash economy	Another name for the black economy , where goods are traded for cash which is not recorded for tax purposes.
cash equivalents	<p>Accounting</p> <p>Anything which is regarded as having similar properties to cash, such as readily exchangeable securities or gold coins.</p> <p>For statements of cash flow, "cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value" (FRS 102 section 7.2). They are treated as cash.</p> <p>For accounting standards, the term is defined as "short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value" (FRS 102 glossary). For International Accounting Standards, the same definition appears in IAS 7 para 6.</p> <p>Tax</p> <p>For tax, a cash equivalent is likely to come within the scope of a readily convertible asset which can be regarded as part of gross pay when provided to an employee.</p>
cash extraction	In investment, a defensive strategy of using warrants to replace exposure to assets at a lower price, thus releasing cash.
cash float	Amount of cash, usually in small denominations, provided at the start of trading to ensure that a seller has sufficient change to give customers.
cash flow	<p>Definition</p> <p>Statement of how money flows in and out of the company (or other reporting entity), made up of inflows and outflows over defined periods, usually months but sometimes weeks, quarters or years.</p> <p>The term "cash flows" is defined as "inflows and outflows of cash and cash equivalents" (IAS 7 para 6).</p> <p>Types of cash flow statement</p> <p>A cashflow statement is of two types.</p> <p>For financial accounting, a cashflow statement is one of the financial statements prepared for the same accounting period as the profit and loss account. It shows how much money has come into the business and how much has gone out, and how much money the business still has. Unlike the profit and loss account, this statement is not subjective. It excludes all</p>

transactions which involve no transfers of funds, such as depreciation and accruals.

In **management accounting**, a cashflow statement is often used to ensure that a business has sufficient cash to meet its obligations over a period. This is particularly important for a building contract where heavy expenses may be incurred at the start with payment due later on. A cashflow statement ensures that the business does not run out of money at any point.

A cashflow statement is also useful when considering a new business which takes some time to start earning sufficient income to become self-supporting. It ensures that the business starts earning sufficient profits before the end of the **cash burn** period when the initial capital is spent.

Where a project extends over a long period, particularly in times of high inflation or where there is a high **cost of capital**, a special form of statement known as **discounted cashflow** may be used to ensure that inflation or cost of capital have not eaten up the profit.

The term **cashflow** may be spelled as a single word.

cash flow at risk	The extent to which an organisation's cashflow is at risk.
cash flow hedge	Any process which hedges the risk of an organisation having a serious difference between cash inflows and cash outflows at a particular time. Such hedges usually involve the facility to draw cash temporarily from another source, sometimes in return for lending cash during periods of great inflow.
cash flow matching	Process of hedging whereby an organisation can match its cash inflows with its cashflow outflows.
cash flow projection	In management accounting, statement of expected inflows and outflows of cash over a defined period.
cash flow statement	Summarises cash paid to and received from other organisations and individuals for capital and revenue purposes.
cash flow projections	Statements of cash expected to flow into the business and cash expected to flow out over a particular period.
cash flow statement	Financial statement about changes in financial position.
cash fraction	<p>A small amount of cash paid to a shareholder in respect of shares which could not be allocated on a share consolidation.</p> <p>For example a company makes a 1 for 7 share consolidation, and a shareholder had 100 shares. The shareholder receives 14 new shares for 98 of the old ones, and a cash fraction for the remaining two.</p>
cash-generating unit	<p>For accounting standards, "the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash flows from other assets or groups of assets" (FRS 102 glossary).</p> <p>For International Accounting Standards, the same definition appears in IAS 36 para 6 and IFRS 5.A.</p>

cash generator	Fixed asset or cost centre which produces income that can be measured.
cashier	Person who handles money in an organisation.
cashier's check	American term for a banker's draft .
cash in	Sell an investment for cash.
cash inflow	Receipts of money to a person or business.
cash instrument	Financial instrument or obligation that is sold for immediate delivery.
cash interest cover	Ratio of operating cashflow divided by interest paid.
cash ISA	Form of individual savings account (ISA) which invests in fixed interest investments rather than shares. From 6 April 2008, an individual may invest up to £3,600 in a cash-ISA. This is half the overall ISA limit.
cash-keeper	Another name for a cashier .
cashless society	Society where no-one uses cash in the form of currency. Everything is transacted using such methods as cheques, standing orders and cards.
cash limit	Maximum amount of money which is permitted in defined circumstances, such as for spending in a period or which may be withdrawn from a cash dispenser.
cash machine	Alternative name for automatic teller machine .
cash management	Policy of an organisation for the management of its funds.
cash management account	Bank account where funds are invested on money market, but where the customer may draw freely using a cheque book.
cash market	Term used for the financial market which trades in futures or currencies. It is sometimes called the spot market .
cash offer	Price someone is willing to pay in cash. It may be less than the offer price.
cash-or-nothing option	An exotic option where the holder either receives a payment or nothing.
cash-out	Process of turning tokens into cash, such as after a session in a casino.
cash outflow	Payments of money by a person or business.
cash payment	Amount of money paid in cash.
cash point	Place in a shop or similar establishment which accepts payments.

cash position	Amount of cash a person or business currently has available.
cash positive	<p>Business or activity where payment is received before the equivalent payment is made.</p> <p>A cash positive shop sells goods to customers who pay cash before the shop has to pay the supplier to buy those goods.</p>
cash price	Amount which a seller is prepared to accept if payment is made in cash.
cash register	<p>Machine, also known as a till, for recording cash transactions, particularly in shops and similar places. Typically it comprises a display of the price, buttons to enter the price, and a cash drawer which opens when a sale is rung up.</p> <p>The first machine was built in 1879 and patented in 1883. It was designed to prevent embezzlement by staff. The cash drawer would only open when a sale was rung up or when a no sale button was pressed. The no sale button typically required a special key possessed by the owner.</p> <p>Modern machines include an adding machine which records the total of sales. They also print receipts and analyse sales using systems such as Eftpos. Information is now widely entered using barcodes. Some machines are connected to scales to weigh produce and with terminals for credit cards and similar.</p>
cash railway	Mechanical device once common in large shops which allows for exchanges of cash between cash desk and counter.
cash ratio	Another name for liquidity ratio .
cash reserves	Amount of easily accessible cash which a person or business keeps, usually to cover an emergency.
cash returned on invested capital (CROIC)	Measure of return on capital but considering only cash returns. It is a measure of cashflow rather than profitability.
cash sale	Transaction for which payment was made in cash.
cash-settled share-based payment transaction	<p>For accounting standards, “a share-based payment transaction in which the entity acquires goods or services by incurring a liability to transfer cash or other assets to the supplier of those goods or services for amounts that are based on the price (or value) of equity instruments (including shares or share options) of the entity or another group entity” (FRS 102 glossary).</p> <p>For International Accounting Standard, the same definition appears in IFRS 2.A.</p>
cash-settled warrant	Warrant that is not exercised for physical assets but only for cash.
cash settlement	Settlement made in a cash market , or a settlement made in cash in any market.

cash shell	Company which may have some assets and cash, but whose main value is in its listing on a stock market.
cash shortage	<p>“A deficit arising in relation to amounts received in connection with retail transactions” (Employment Rights Act 1996 s17(1)).</p> <p>Where cash goes missing while a shop assistant is on duty, the shopkeeper may deduct the sum from the assistant’s wages provided the amount does not exceed 10% of gross wages.</p>
cash surrender value	The amount of money received when a policyholder surrenders a life insurance policy or similar with cash value.
cash terms	Terms for a transaction where payment is made in cash. The terms usually include a lower price for the goods or services.
cash-to-cash cycle	Financial term indicating how long a business has to finance its own stock or inventory. It measures the number of days between the initial cashflow (paying suppliers) to the time it receives cash from its customers.
cash transaction	A transaction where payment is made in cash.
cash unit trust	Unit trust that invests in money funds rather than in shares.
cash up	Add up the amounts of cash received during the day, as in a shop or bank.
cash value life insurance	Life insurance policy that also pays benefits before death.
cash voucher	<p>Coupon or similar document which can be exchanged for cash rather than goods.</p> <p>For the purpose of taxing benefits in kind, “a voucher, stamp or similar document capable of being exchanged for a sum of money which is:</p> <ul style="list-style-type: none">(a) greater than;(b) equal to; or(c) not substantially less than, <p>the expense incurred by the person at whose cost the voucher, stamp or similar document is provided” (Income Tax (Earnings And Pensions) Act 2003 s75).</p>
Cashwire	In the USA, a system operated by banks to clear payments between them.
casino	<p>Place whose prime purpose is to allow people to gamble. The original meaning was a place for dancing.</p> <p>“An arrangement whereby people are given an opportunity to participate in one or more casino games” (Gambling Act 2005 s7(1)).</p> <p>A casino may be classified as a regional casino, large casino or small casino, or may be below the limit for a licensed casino (ibid s7(5)).</p>
casino cage	Place in a casino where cash and chips are exchanged. The term comes from the high level of security needed for large amounts.

casino game	“A game of chance which is not equal chance gaming ” (Gambling Act 2005 s7(2)).
casino games	“Means games of chance which are not equal chance gaming (but subject to any order under section 10(5)) (Finance Act 1997 s15(3)).
casino operating licence	Licence issued by Gambling Commission to a casino operator (Gambling Act 2005 s65(2)(a)).
casino premises licence	Licence issued by a local authority which allows the holder to operate a casino (Gambling Act 2005 s172(3)). This term is also used for betting and gaming duties (Finance Act 1997 Sch 1 para 2(1)).
cask	Large container for storing alcoholic drink. A barrel is a cask of predetermined size.
cask conditioned beer	Beer whose production process continues after being put into the cask. Such beer produces an undrinkable sediment on which beer duty may be relieved under procedures set out in Customs notice 226.
casket	For VAT, this is exempt if supplied as part of a cremation service. Further details are given in VAT notice 701/32.
CASS	(1) Current Account Switch Service. (2) Client Assets sourcebook.
Cassa di Compensazione Garanzia (CC&G)	Part of the Italian central bank, Banca d'Italia. CC&G is the central counterparty to certain financial transactions. “In the markets that envisage this service, the central counterparty is interposed in each transaction so that intermediaries are not exposed to counterparty default risk. The central counterparty protects itself from the risk of default by collecting margins commensurate with the amount of obligations taken on by members” (Banca d'Italia website). CC&G is a recognised clearing house for the purpose of stamp duty and stamp duty reserve tax from 3 October 2011 (SI 2011 No 2205).
cassation	Annulment, especially in France.
cassetur billa	Latin: let the bill be quashed.
cassetur breve	Latin: let the writ be quashed.
cast accounts	Add up and balance accounts on a page.
cast in one's lot	Share the good fortune or ill fortune of another.

Castle, Barbara	English Labour politician (1910-2002) who was Secretary of State for Health and Social Services from 5 March 1974 to 8 April 1976.
cast pearls before swine	Offer things of value to those who do not appreciate them. The term comes from Matthew 7:6 in The Bible.
casting vote	<p>A second vote made by a chairman to decide a matter where the first vote was equal.</p> <p>A casting vote is only permissible if the relevant rules permit it. Otherwise a tied vote is regarded as a failure of the motion which has not achieved a majority. The onus always rests on those who wish to change the current position.</p>
casual	<p>(1) Informal or less serious.</p> <p>(2) Casual worker</p>
casual day	Another name for dress-down Friday .
casual delegation	Legal principle whereby a person who retains control of a chattel remains liable for injuries inflicted by a negligent borrower.
casual ejector	Legal fiction adopted until 1852 when the fictitious Robert Roe was supposed to have come upon a land to evict the lawful possessors, leading to an action for ejectment.
casual income	<p>Income that is non-recurring in nature. Examples include temporary work such as harvesting and exam invigilation.</p> <p>The UK treats casual income on the same basis as other taxable income, though there have been some special provisions regarding reporting and collection. Other countries, such as India, have special exemptions for casual income.</p>
casual labour	<p>Workers who are engaged for a short period.</p> <p>Such workers are usually employees who still have many employment rights and duties. They are entitled to the national minimum wage and must pay income tax and national insurance on their earnings.</p>
casual pauper	Wayfarer or other wanderer who applies for relief.
casualty insurance	Insurance that protects the policy holder from property loss.
casualty loss	<p>(1) In US law, an unreimbursed loss relating to non-business assets lost from fire, storm, theft or shipwreck.</p> <p>(2) In Japan, a loss suffered by an individual from fire, storm, earthquake, flood etc.</p>
casualty ratio	<p>Estimated number of casualties for a defined activity, such as per ton of bombs.</p> <p>At the start of the second world war, the casualty ratio was believed to</p>

be 50 dead or injured per ton of bombs. In reality the figure was about 20.

casual vacancy In terms of a company auditor, when an auditor no longer holds that post for reasons other than removal or resignation, such as on retirement or illness.

casualwear Casual clothing which is regarded as acceptable in the workplace.

casual worker Person who provides **casual labour**.

casus belli Latin: action which justifies war.

casus omissus Latin: omitted case. Case inadvertently not provided for in a statute.

CAT

- (1) **Competition Appeal Tribunal.**
- (2) Customs Action Text, an expanded description of the Customs Action Code (CAC).
- (3) Cumbernauld Accounting Team, a department of HMRC.
- (4) Coronary artery thrombosis. Common abbreviation for a sick note (HMRC leaflet E14).
- (5) **Comparable adjustable transaction.**

cat

- (1) Domestic animal.
A cat may be imported into the UK under the Pet Passport Scheme without the need for quarantine.
- (2) Colloquial name for a **zero coupon bond**.
- (3) Element of goodwill, as explained in **cat, dog and rat**.

cat biscuit This is specially standard-rated for VAT under Value Added Tax 1994 Sch 8 Group 1 Excepted Item 6.

catalla Latin: chattels.

catallactics In economics, a theory of the way the free market system reaches exchanges rates and prices.

catalogue club Arrangement whereby goods may be bought from a catalogue and are paid for by regular instalments.

Catapult centres "A network of world-leading centres designed to transform the UK's capability for innovation in seven specific areas and help drive future economic growth" (website www.catapult.org.uk).

These centres are backed by the Department of Business, Innovation and Science.

catasta Block on which slaves were exposed for sale.

catastrophe bond Security whose value falls sharply if a certain eventuality happens. They can be used as a form of securitised insurance.

catastrophe theory	A qualitative planning technique which allows for sudden and large changes which cannot be predicted by normal forecasting methods.
catch	(1) Trick or similar devious means which denies a person of what he believes is his entitlement. (2) In gambling, when the cards are treating a player well. The player is said to be catching cards.
CATCH	Acronym provided by HMRC to outline the duties of a registered high value dealer . These duties are to: <ul style="list-style-type: none">• Control the business by anti-laundering procedures;• Appoint a nominated officer;• Train your staff;• Confirm the identity of all customers; and• Hold all records for at least five years.
Catch 22	Contradictory rule which cannot be complied with. The title comes from the novel of that name written by Joseph Heller in 1943 depicting a fictional American air force on the Italian island of Pianosa. The definition comes from the book "there was only one catch and that was Catch-22 which specified that a concern for one's safety in the face of dangers that were real and immediate was the process of a rational mind. Orr was crazy and could be grounded. All he had to do was ask; and as soon as he did, he would no longer be crazy and would have to fly more missions. Orr would be crazy to fly more missions and sane if he didn't but if he was sane he had to fly them."
catch-all	In international taxation, a tax provision designed to catch all sources of income or taxable activity.
catch-all party	Political party that has no clear policies of its own but exists to catch the votes of those disenchanted with other parties. The term was used in the 1950s as a perjorative term against the Gaullist parties of the Fifth Republic of France, and the Christian Democratic parties of Italy.
Catch document	Document that is needed to import the <i>Dissostichus</i> species of fish. Customs clearance cannot be obtained without it.
catching bargain	Term once used for a loan on oppressive terms with an expectant heir. Such a loan would now fall foul of Consumer Credit Act 1974 ss137-140.
catching-up charge	Amount which becomes liable to income tax as a result of moving from cash accounting to accruals accounting . This particularly arose from 2001 when certain professional taxpayers were generally excluded from using cash accounting. The catching-up charge could be spread over ten years.
catch penny	Worthless article made to look valuable.

cat-cracker	Plant in which oil is cracked into different forms. The term is an abbreviation of catalytic cracker.
cat, dog and rat	<p>Three traditional elements of goodwill, to which others may be added.</p> <p>The cat element attaches to the premises.</p> <p>The dog element attaches to the owner.</p> <p>The rat element attaches to the convenience of the animal.</p> <p>This distinction was made in the judgment of <i>Whiteman Smith Motor Co Ltd v Chaplin [1934]</i> on an interpretation of the meaning of the phrase about goodwill "attached to the premises" under Landlord and Tenant Act 1927 s4(1), (which was repealed by Landlord and Tenant Act 1954).</p> <p>Although these elements were formulated in a property law case, they can be relevant in calculating goodwill for tax purposes, such as calculating the capital gains tax on the sale of a private company, and the stamp duty land tax on the sale of commercial property.</p> <p>A subsequent judge has suggested that there is also rabbit goodwill which attaches to customers' propinquity to premises.</p>
categorical data	<p>Information which is provided in categories, such as male or female.</p> <p>In statistics, it is distinguished from ordinal data (good, bad, poor etc) and interval data (various heights or weights).</p>
categorical scale	<p>In statistics, a scale which sorts variables according to category.</p> <p>It is a requirement that the categories are exhaustive, exclusive and clearly defined. This means that every variable can be categorised once, only once, and without ambiguity.</p> <p>The types of category are a priori categories and constructed categories. The former already exist, such as a person's sex or age band. The latter need to be devised, such as categorising makes of car or brands of food.</p>
categories of earner	<p>People who are liable to pay national insurance.</p> <p>They are divided into employed and self-employed by Social Security Contributions and Benefits Act 1992 s2(1).</p>
categorisation	<p>Method to determine what class of national insurance a person should pay. This is set out in Social Security (Categorisation of Earners) Regulations SI 1978 No 1689.</p>
category A pension	<p>Commonest form of state retirement pension payable from the age of 65.</p> <p>From April 2012, the main eligibility criterion is that the person has a national insurance record for at least 30 years. For those who retired before April 2012, the requirement is to have a national insurance record for at least 9 out of every 10 years of working life. So someone whose working life was between 21 and 65, needed 40 years' national insurance out of 44 years' working life.</p>
Category A to D machines	Types of amusement machines.

- category B pension** State retirement pension payable to a widow or widower who does not qualify for a category A pension.
- category C pension** State retirement pension paid to someone who had already reached retirement age in 1948 or payable to the widow of such a man. In 2003 it was stated that there was “a very small number” of such pensions in payment.
- category D pension** Non-contributory state pension payable to people from the age of 80. The amount of this pension is the same as for a Category B pension.
- category 1 territory** In relation to tax penalties, a territory that exchanges information with the UK on savings income. Under Finance Act 2010 s35 and Sch 10, a penalty of up to 100% of tax may be charged for offshore tax evasion.
“A category 1 territory is a territory designated as a category 1 territory by order made by the Treasury” (Finance Act 2007 Sch 24 para 21A(1)).
- category 2 territory** In relation to tax penalties, a territory that has agreed to exchange information with the UK on savings income, but does not do so automatically. Under Finance Act 2010 s35 and Sch 10, a penalty of up to 150% of tax may be charged for offshore tax evasion.
“A category 2 territory is a territory that is neither —
(a) a category 1 territory, nor
(b) a category 3 territory.
(Finance Act 2007 Sch 24 para 21A(2)).
- category 3 territory** In relation to tax penalties, a territory that has not agreed to exchange information with the UK on savings income. Under Finance Act 2010 s35 and Sch 10, a penalty of up to 200% of tax may be charged for offshore tax evasion.
“A category 3 territory is a territory designaed as a category 3 territory by order made by the Treasury” (Finance Act 2007 Sch 24 para 21A(3)).
- category validity period** Dates from and to when a holder of a **driving licence** may drive that category of road vehicle. This is shown on the back of a photocard licence.
- catering** *General term*
Allowing for or accommodating, as in catering for an eventuality.
Value added tax
The provision of food with facilities for eating it. This is excluded from the scope of zero-rating for food under Value Added Tax 1994 Sch 8 Group 1 exception (a).
“A supply of anything in the course of catering includes —
(a) any supply of it for consumption on the premises on which it is supplied; and
(b) any supply of hot food for consumption off those premises”
(Value Added Tax 1994 Group 1 Note 3).
From 1 October 2012, the scope is extended by Finance Act 2012 s196 and Sch 26: “For the purposes of Note 3, in the case of any supplier, the premises on which food is supplied include any area set aside for the

consumption of food by that supplier's customers, whether or not the area may also be used by the customers of other suppliers" (Value Added Tax 1994 Group 1 Note 3A).

Catering is standard-rated for VAT whereas the supply of cold food to be taken away for consumption is usually standard-rated. There have been many cases on this point.

A **packed lunch** is a standard-rated supply of catering.

catering

~

"We consider that these factors must also be relevant to the question of whether a supply was in the course of catering and we combine the factors taken into account in *Compass*, *Safeway* and *Bog* and conclude that the following factors should all be borne in mind (but the list is not definitive nor is any one factor on it decisive):

- whether the food was supplied in connection with an occasion or other event and whether the supplier knew this;
- whether the food was made to order or merely prepared in anticipation of demand;
- whether the customer could suggest a menu;
- the degree of preparation which remained to be carried out by the customer before the food could be eaten;
- whether the food well-presented and in a form where a person would ordinarily put in on the table with no further steps being taken;
- whether crockery and cutlery were provided along with the food itself or were available as an optional extra;
- whether and how and at what time the food was delivered by the supplier;
- whether a waiting service was provided by the supplier at the place of consumption;
- whether the food was a complete meal."

Value Catering Ltd. [2011] TC 1189

~

VAT flat rate scheme

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

From	Percentage
4 January 2011	12.5%
1 January 2010	11%
1 December 2008	10.5%
1 January 2004	12%

catering adaptation

Informal term for a provision that allows a caterer to use a form of apportionment for VAT purposes.

Apportionment is widely used by retailers. It broadly assumes that the ratio of standard-rated and zero-rated purchases are the same as the ratio of supplies. This is not appropriate for catering which is standard-rated while most food is zero-rated. The catering adaptation deals with this issue.

Details of the provision are set out in VAT Notice 727.

Cathy Come Home

BBC television film produced by Ken Loach and first shown in 1966. It depicts a family's descent into poverty and homelessness under the existing law. It led

to a heightened awareness of homelessness. In turn, this led to formation of charities dealing with homelessness and to a change in the law.

CATO **Company Accounts and Tax Online.**

CATS **Certificate of Accrual on Treasury Securities.**

CAT standard Government-defined standard for financial products. The term was introduced on 1 October 1998 until its replacement on 6 April 2005 by **stakeholder products**.

The letters stand for Charges, Access and Terms which had to be reasonable, easy and fair respectively. An **individual savings account (ISA)** could only be marketed if it met the CAT standard.

cattery Under the VAT flat rate scheme, the appropriate percentage for boarding or caring for animals is:

From	Percentage
4 January 2011	12%
1 January 2010	10.5%
1 December 2008	9.5%
1 January 2004	10.5%

cattle trespass Old form of strict liability for damage by stray cattle. The matter is now regulated by Animals Act 1971.

Catto, Thomas Scottish banker (1879-1959) who was governor of the Bank of England between 1944 and 1949.

causa causans Latin: immediate cause, the last link in a chain of causation.

causa justa Latin: just cause.

causal forecasting Projecting the future on the basis of established relationships. So someone selling ice cream may be able to project sales on the basis of daily temperatures.

causa lucrativa Latin: lucrative cause. This is one brought to acquire significant money rather to achieve justice.

causa mortis Latin: because of death.

causa proxima non remota spectatur Latin: the immediate and not the remote cause are to be considered.

causa sine qua non In law, a preceding link without which the **causa causans** could not have happened.

causation

Statistics

In statistics, when one factor produces an effect in another.

So if $A = B + 3$, causation means that an increase in B leads to an increase in A.

Statistics in itself does not prove causation, but can indicate areas where other disciplines may usefully look.

For example, statistical research showed that people who smoked many cigarettes (A) had higher rates of lung cancer (B) than those who did not.

This does not in itself prove that smoking causes lung cancer. The causation choices include:

- smoking causes lung cancer: $A \rightarrow B$
- cancer causes smoking: $B \rightarrow A$
- they each cause each other: $A \leftrightarrow B$
- something else causes both: $C \rightarrow A + B$

or there is another more complex set of interactions,
or the result is coincidence or error.

Law

Relationship between an action and its causes, and thus the extent to which a claim may be made against someone responsible for the action.

causa vera

Immediate predecessor of an effect, or a cause verifiable by independent evidence.

cause

Philosophy

In philosophy, something which produces an effect.

Aristotle identified four causes:

- the efficient cause: which immediately leads to effect;
- material cause: subject matter of efficient cause;
- formal cause: essence or attributes introduced by the efficient cause; and
- final cause: purpose for which the change takes place.

Law

In law, an ordinary civil proceeding or legal action.

Scots law

"A case before a court" (Judiciary of Scotland website glossary).

cause and effect relations

In statistics, determining which factors influence others. The matter is discussed more specifically in **causation**,

Cause Book

Book recording the issue of writs in the Central Office of the Supreme Court.

cause célèbre

Celebrated cause; any case or trial which generates considerable interest or sets a significant precedent.

cause list

List of cases to be heard by a court.

cause of action The facts which give rise to a legal action.

caution *General*
Natural reserve or reluctance to proceed.

Criminal law

(1) The formal warning that a police officer when arresting someone. This must be in accordance with the code of practice issued under Police and Criminal Evidence Act 1994. The current wording is "you do not have to say anything. But it may harm your defence if you do not mention when questioned something which you later rely on in court. Anything you do say may be given in evidence".

This caution must be given before the person is questioned.

A person may be cautioned without being arrested, in which case the person must be told this, and that they are free to leave at any time.

(2) An informal process where the police release someone after deciding not to prosecute, but on the basis that if the person commits a further offence, the first offence will also be taken into account. This has no statutory authority. There are no consequences if the procedure is not followed.

A caution is regarded as the equivalent to a sentence as it requires the cautioned person to admit to the offence. A caution should therefore not be seen as "letting off" a person. If a person believes himself or herself to be innocent, they should refuse to accept a caution and require the police to prove their case.

A caution is regarded as immediately spent for the purposes of **rehabilitation** under Rehabilitation of Offenders Act 1974, however the cautioned person now has a criminal record which may require disclosure in the excepted circumstances provided by the Act.

Property law

A document lodged with the Land Registry by a person having an interest in registered land. A caution prevents the land being registered until the cautioner has been notified.

Scots law

"Security (pronounced Kayshun, it rhymes with station)

(1) A party or other person may be required to find caution, that is security, against the occurrence of a certain event, eg for the expenses of an action or for the protection of an estate.

(2) A sum of money ordered to be lodged by an offender convicted of a criminal offence as security for good behaviour for a specified period of time. If the offender is of good behaviour the money is returned" (Judiciary of Scotland website glossary).

caution money Money deposited with a college or Inn of Court as a guarantee of good behaviour.

CAV **Cur adv vult.**

This is itself an abbreviation of **curia advisari vult**, which is Latin for "the

court wishes to be advised”.

cave canem

Latin: beware of the dog.

caveat

Latin: let him beware.

Notice directing a person to refrain from such action until a matter has been addressed. The word is also used more generally to represent an exception or condition to a proposition.

In Scots law, “warning. A legal document lodged in court by a party so that no order or ruling affecting him or her passes in his or her absence or without receiving prior notice and an opportunity to be heard by the court before any order is made” (Judiciary of Scotland website glossary).

caveat actor

Latin: let the doer beware.

caveat emptor

Latin: let the buyer beware.

The general principle is that the purchaser is legally liable to satisfy himself about the quality of goods. For consumer sales, this is modified by Sale of Goods Acts.

caveator

Person who gives notice of a **caveat**.

caveat subscriptor

Latin: let the signatory beware.

caveat venditor

Latin: let the seller beware.

Although this term exists, English law generally places the onus on the buyer, known as **caveat emptor**.

caveats

Conditions, such as those attached to an insurance quotation.

cavendo tutus

Latin: safe through taking care.

Cayman Islands

UK Overseas Territory located in Caribbean Sea. The currency is the Cayman Islands dollar of 100 cents.

It is widely seen as a tax haven. The UK has a double taxation agreement of 2010.

Cayman Islands dollar

Currency of **Cayman Islands**.

CB

Common Bench Reports, law reports from 1845 to 1856.

c/b

Call back. Abbreviation used by HMRC in noting details of telephone calls.

CBA

Cost benefit analysis.

CbC

Country by country, financial reporting.

CBC

Cwmni buddiant cymunedol, Welsh for community interest company.

CbC	Country by country , form of financial reporting.
CBO	Collateralised bond obligation
CBOE	Chicago Board Options Exchange.
CBOT	Chicago Board of Trade.
CBR	Cost benefit ratio.
CBS index	Share index of the Amsterdam Stock Exchange.
CBT	Computer Based Training.
cc	(1) Carbon copy. An indication on a typed or e-mailed document as to whom the document has been copied. (2) Cubic centimetre. For tax, this is widely used as a means of determining the engine size of car for various tax purposes.
CCA	(1) Current cost accounting. (2) Climate change agreement. (3) Court of Criminal Appeal.
CCAB	Consultative Committee of Accountancy Bodies.
CCAEO	Community charge attachment of earnings order.
CCAMLR	Convention of the Conservation of Antarctic Marine Living Resources.
CCAV	Centre for Connected and Autonomous Vehicles.
CCC	Customs duties Community Customs Code, the basic Customs rules applying throughout the European Union (EU). The Code was established by Council Regulation (EEC) No. 2913/92 but has been amended several times since. Another regulation, Commission Regulation (EEC) No. 2454/93, sets out provisions for the implementation of the Code. World Customs Organisation Customs Co-operation Council - the former name of the World Customs Organisation (WCO). The WCO was known as the Customs Co-operation Council between 1952 (when the organisation was first established) and 1994.
	Other meanings (1) Cox's Criminal Cases, law reports from 1843 to 1941. (2) Commodity Credit Corporation.
ccc	Cwmni cyfyngedig cyhoeddus , Welsh for public limited company. A public limited company registered in Wales must put either "plc" or

“ccc” after its name (Companies Act 2006 s58(2)).

CCCP	In relation to occupational pension schemes, amount of the contributions paid in the current chargeable period otherwise than for an accepted purpose. This abbreviation is used in Finance Act 2004 s197(1).
CC(CP)A 1985	Companies Consolidation (Consequential Provisions) Act 1985.
CCCTB	Common consolidated corporation tax base.
CCEP	Customs civil evasion penalty.
CCF	Combined Cadet Force.
CCFS	Care Case Fee Scheme.
CCG	Customs Comprehensive Guarantee.
CC&G	Cassa di Compensazione e Garanzia
CCH	CCH Editions Ltd, publisher of text books on tax and other topics.
CCLI	Commonwealth Climate and Law Initiative.
CCLN	Consignment Control Label Number, a unique 12 digit number on a control label allocated to a consignment note CIM by which the consignment note, its country and station of issue can be identified.
CCM	Prefix for HMRC's tax manual on claimant compliance.
CCMS	Client and cost management system, a system used in the courts.
CCN	County Council Network.
CCP	(1) Cross Country Pipeline. (2) Central counterparty.
CCPAS	Churches Child Protection Advisory Service.
CCPG	Prefix for HMRC's tax manual on Customs civil penalties.
CCR	(1) Counterparty credit risk. (2) Criminal Cases Reserved, series of Law Reports published between 1865 and 1875.
CCS	(1) Carbon capture and storage. (2) Crown Commercial Service.
CCS-UK	Cargo Community System, the computerised cargo processing system that controls goods in an inventory linked environment. It consists of a central

database and a 'switch' to transfer messages between the various computer systems connected to it.

CCT Company car tax.

CCTO **Central Community Transit Office.**

CCW Countryside Commission for Wales.

CD **(1) Compact disc.**
(2) Certificate of deposit.

Cd Command paper.

CD and G Crown dependencies and Gibraltar.

CDC Council for Disabled Children.

CDE Centre for Defence Enterprise.

CDF **(1) Contractual Disclosure Facility.**
(2) ISO code for Congo/Kinshasa franc.

CDF denial letter Letter that a taxpayer may send to HMRC under the **Contractual Disclosure Facility (CDF)**.

If HMRC suspects a taxpayer of fraud and offers settlement under CDF, the taxpayer may accept CDF and send this letter to deny any fraudulent involvement.

If HMRC accepts the taxpayer's submission, the matter ends. If not, the suspected fraud may be investigated under criminal powers.

Details are given in para 2.7 of the revised COP 9 procedure issued on 19 January 2012.

CDFI Community development financial institution.

CD ladder Storage unit which allows CDs to be stored vertically.

CDM Clean Development Mechanism, under **Kyoto Protocol** Article 12.

CDO **Collateralised debt obligation.**

CDOT Crown dependencies and overseas territories.

CD-R Compact Disk-Recordable.

A type of **disk drive** that can create CD-ROMs and audio CDs. CD-R drives are now standard on home computers, though CD writing software is needed to use them.

CD-ROM Compact Disk-Read Only Memory.

An optical disk from which information may be read, but not written.

The term also refers to the standard **disk drive** that can read CD-ROMs.

CDRP	Crime and Disorder Reduction Partnership.
CDS	(1) Credit default swap. (2) Customs Declaration Service.
CDT	Compulsory drug testing.
CE	(1) In terms of writing down an intangible asset for corporation tax purposes, this abbreviation is used to mean capitalised expenditure in the formula in Corporation Tax Act 2009 s729(3). (2) Marking applied to toys and some other products to indicate that they comply with certain EU Directives such as relate to electromagnetic compatibility.
C&E 132	Form issued by HMRC and which may be completed as evidence that goods have been posted to another EU member state. Such evidence is needed to justify zero-rating, as explained in VAT notice 725.
CEA	Capital expenditure amount. This term and its abbreviation are used in Corporation Tax Act 2009 s849C and in Corporation Tax Act 2010 s365N(16).
Céad-Aire angus	Irish Gaelic: First Minister, of Northern Ireland Executive.
ceases to be available	In relation of attribution of gains to beneficiaries, the term is given its obvious meaning in Finance Act 2008 Sch 7 para 154(3).
CEC	(1) Commodities Exchange Center Inc. (2) European Community Cases, law reports published by CCH from 1989.
CED	Common entry document.
cedant	"The policyholder under a reinsurance contract" (IFRS 4.A).
cede	In insurance, to transfer all or part of a risk written by an insurer to a reinsurer.
CEDEL	Centrale de Livraison de Valeurs Molières , a settlement service in Luxembourg for eurobonds.
cedi	Currency of Ghana, comprising 100 pesewas.
cedula	South American promissory note or mortgage bond on land.
CEECs	Central and Eastern European Countries - the Central and Eastern European Countries (CEECs) include: Latvia; Estonia; Lithuania; Romania; Bulgaria; Hungary; Poland; Czech Republic; Slovakia and Slovenia.

CEFAS	Centre for Environment, Fisheries and Aquaculture Sciences.
CEG	Careers Employment Group (in armed forces).
ceiling	<p>Finance</p> <p>Upper limit.</p> <p>It can apply to a cash limit, such as the maximum earnings for a particular job. Alternatively it can apply in other circumstances such as the highest position to which a person may be promoted. When such a ceiling is not admitted, it is called a glass ceiling.</p> <p>Building</p> <p>Part of a building (Capital Allowances Act 2001 s21(3) List A).</p>
ceiniog	Welsh: penny.
celebration period	Period of "exceptional international, national, or local significance" for which the Secretary of State may make a licensing hours order (Licensing Act 2003 s172(1)).
CELEX	Database of European law.
celibacy	Abstention from marriage, not abstention from sex.
cellarage	Charge for storing something in a cellar. The charge is often made for storing wine.
cellar-book	Register of wines kept in a cellar.
cell battery	Battery in the form of a flat disc designed to be used in small appliances, such as deaf aids.
cell bund	Divider within a landfill cell to separate amounts of waste so dumped. Material so used is not subject to landfill tax.
Collect	Food supplement. In the case <i>Carol Pannett [2017] TC 6244</i> it was held not to be food and so subject to customs duty and VAT.
cell engineering	Using clay and other materials to protect the sides and bottom of a pit used for landfill. Material so used is not subject to landfill tax.
cell production	<p>In business management, a cross between assembly line manufacture and where one person makes an entire product performing all manufacturing tasks.</p> <p>In cell production, a group of workers make a component, such as an engine, but determine who does what jobs.</p>
cells	In biology, "means individual human cells or a collection of human cells when not bound by any connective tissue" (Directive 2003/23/EC article 3).

CEMA	Customs and Excise Management Act 1979.
cemetery	<p>Corporation tax provisions are given in Corporation Tax Act 2009 s146 and Income Tax (Trading and Other Income) Act 2005 s169.</p> <p>These allow tax relief on a basis similar to a capital allowance on the number of plots sold in the year in ratio to the number of plots remaining. This provision was introduced in 1954.</p> <p>For VAT, the services of a cemetery are usually exempt as a supply of burial or cremation. Further details are given in VAT notice 701/32.</p>
Cenedlaethol Cymru	Welsh: National Assembly for Wales.
ce n'est que le premier pas qui coûte	<p>French: it is only the first step that counts.</p> <p>Observation that the cost is incurred by the first action. The remark is attributed to Mme du Deffand (1697-1780).</p>
Cenlon	Tax case that restricts the right of inspectors to open old cases. The term comes from the case <i>Cenlon Finance Co Ltd v Ellwood</i> [1962] 40TC176. It is discussed in the Inspectors' Manual at BIM34035.
censure	Blame or reproof, particularly as a punishment.
census	A survey of the population conducted every ten years ending in 1, under Population (Statistics) Act 1938 s1. It has been conducted in every such year except 1941.
cent	One hundredth of a dollar, euro or of several other currencies.
centage	Rate by the 100.
centavo	One hundredth of various currencies, particularly from South America.
centenionalis	Roman coin which replaced the follis in 346 AD.
centesimal	Hundredth part.
centésimo	One hundredth of a balboa, currency of Panama.
centiare	One hundredth of an are , about 1.2 square yards.
centigram	One hundredth of a gram.
centilitre	One hundredth of a litre.
centillion	1,000,000 ¹⁰ . This is the number 1 followed by 600 zeros.
centi-	Prefix used in metric units. It means 10 ⁻² , or one hundredth.

centime	One hundredth of a franc, or of some other currencies.
centimetre	One hundredth of a metre.
céntimo	One hundredth of a guarani, currency of Paraguay.
centner	Weight equal to 50 kilograms, which is about one hundredweight.
Central African Pension Fund	<p>Fund established in 1963 to pay pensions from Rhodesia and Nyasaland (now known as Zimbabwe). Under Finance Act 1967 s38, such pensions were taxed as if they were paid in the UK. This provision was repealed by Finance Act 1975.</p> <p>Payments from the fund are free of income tax if the foreign residence exemption condition is met (Income Tax (Earnings And Pensions) Act 2003 s648).</p>
Central African Republic	African republic. Its currency is the Central French African franc of 100 centimes. The UK has no tax treaty.
Central American Common Market	A political and economic grouping of Costa Rica, El Salvador, Guatemala, Panama, Honduras and Nicaragua.
Central Arbitration Committee (CAC)	Body which deals with such matters as trade union recognition. It is now constituted under Trade Union and Labour Relations (Consolidation) Act 1992 s259.
central assets account	Single account held at a broker's or bank to cover both banking and broking services.
central bank	<p>The main bank in a country. The central bank of the UK is the Bank of England.</p> <p>The main functions of a central bank are to:</p> <ul style="list-style-type: none">• accept deposits and grant loans to commercial banks;• print and control the issue of banknotes;• control the money supply;• manage the country's national debt;• influence or set interest rates;• influence exchange rates, and intervene when necessary;• hold the country's reserves of gold and foreign currencies;• deal with central banks of other countries; and• act as lender of last resort to the country's banks.
Central Bank Advisory Board	Body set up in 1992 by the World Gold Council to advise central banks.
Central Bank Council	Part of Bundesbank which has responsibility for setting interest rates in Germany.
central bank discount rate	Rate at which a central bank is willing to discount Treasury bills .

central bank intervention When a central bank takes action to assist the national economy. This usually takes the form of reducing interest rates or allowing financial institutions to borrow more money.

Central Community Transit Office (CCTO)

Office of HMRC that deals with transit of goods across national frontiers. It is based in Harwich.

central control and management

Determinant of whether a company is UK-resident.

In the **de Beers** case, the judge said "a company resides, for the purposes of income tax [now corporation tax] where its real business is carried on... I regard that as the true rule; and the real business is carried on where the central management and control actually abides".

The matter is discussed in statement of practice SP1/90.

central counterparty (CCP)

Financial institution which acts as an intermediary between participants in a financial market. The two parties trade with the central counterparty who bears any loss should either party default.

Because the margins are small, from 1 January 2014, liabilities under a CCP are excluded from the scope of the bank levy.

Central Criminal Court

Court having jurisdiction to try all offences committed in Greater London. It is commonly called the Old Bailey.

central departments

Departments of a local authority or other public body which provide support to departments, which deal with the public. Examples include chief executive, personnel, accounts and legal services.

Centrale de Livraison de Valuers Mobilières (CEDEL)

Settlement service in Luxembourg for eurobonds.

Central Electricity Board (CEB)

Body formed in 1926 to build a national electricity grid with a standard voltage.

Central Fund

Fund maintained at **Lloyd's** insurance market to pay claims of an insurer who fails.

central funds

"In an enactment providing in relation to England and Wales for the payment of costs out of central funds, means money provided by Parliament" (Interpretation Act 1978 Sch 1).

central government

National government as opposed to **local government**.

Central Government Borrowing Requirement

In economics, the **public sector borrowing requirement (PSBR)** minus borrowings by local authorities and public corporations.

central heating

When fitted to a residential or charitable building, this may qualify for the reduced rate of VAT under Value Added Tax 1994 Sch 7A Group 2. A

definition is given in para 4A.

- centralisation** Policy of taking control from local bodies to a central body, such as a head office or central government. The opposite policy is known as **subsidiarity**.
- centralise** Transfer authority from a local branch to a central office. The opposite process is known as **subsidiarity**.
- central limit theorem** The observable fact that a **distribution** of sample **means** becomes normal as the **sample size** increases.
In practice, this means that a normal distribution can be used for estimating a mean when the sample size is at least 30 items.
- Central Liquidity Facility (CLF)** In the USA, a government-owned corporation established in 1979 to provide funds to credit unions that suffer short-term illiquidity.
- central management and control**
In relation to companies, this means the country from where the company is directed. A non-UK registered company may be treated as a UK company if its central management and control is in the UK. The matter is discussed in the Inspectors' Manual at INTM120140.
- central management and service costs**
The company in a multinational group that performs management services for the whole group. The transfer pricing issues were first addressed in 1984 in an OECD report.
- Central Office** Central office of the courts system.
- central office** Office from which an organisation, particularly a political party, is run. In business a central office is more commonly called a **head office**.
- Central Powers** Term used before 1918 for the German and Austro-Hungarian empires.
- central processing unit (CPU)** The main part of a computer where calculations are made and data are handled.
- central purchasing** When all of an organisation's purchases are made by one department instead of being made directly by the various departments which need the items.
- central register**
(1) Register now held by the Financial Conduct Authority of persons and firms allowed to conduct investment business.
(2) Register kept at Companies House. Instead of keeping its own registers, a company may elect to update this central register (Companies Act 2006 s128A and s167A).
- Central Registration Depository (CRD)**
In USA, computerised directory established by National Association of Security Dealers giving details of members of the investment industry who deal

directly with the public.

Central Statistical Office Body now known as **Office for National Statistics**.

central treasury Part of an organisation which provides services of dealing with financial markets and liquidity.

Central Warrants Trading Service (CWTS) Automatic execution order book system of the London Stock Exchange.

centrefold Spread across the two pages at the middle of a magazine.

Centre for Social Justice (CSJ) Think tank established in 2004 to “put social justice at the heart of British politics”. One of its founders was Iain Duncan Smith who subsequently became Secretary of State for work and pensions. It has produced many reports that influenced government policy from 2010.

centre party Political party which appeals to voters of non-extreme views.

centre spread Middle two pages of a stapled magazine.
As magazines naturally open there, advertisements may attract a premium.

centum One hundred.

centuple One hundred-fold; one hundred times.

century Period of 100 years. Each century starts at midnight on 1 January in the year ending 01, so the 21st century started on 1 January 2001.

CEO **Chief executive officer.**

CEO fraud Fraud in which someone impersonates a director to order that funds be transferred.
The fraudster gets information from company websites and Companies House. Sometimes the fraud is in two stages, where the first stage is to trick someone in the finance department to reveal information that will demonstrate that the fraudster is apparently a director.
The fraud is often perpetrated on regional offices where staff are less likely to know the directors.
Companies House offers an alerting scheme whereby any changes to data held by it is automatically sent to named officers by email.

CEO pay ratio Requirement that a listed company with at least 250 employees must publish the ratio of its chief executive officer to other workers. This requirement is introduced from 1 January 2019, with the first ratios published in 2020.
The figure for CEO pay is the **single total figure of remuneration (STFR)**.
The company is required to report the ratio to:
• the median (ie 50th percentile) full-time equivalent (FTE) remuneration of the company's UK employees;

- the 25th percentile FTE remuneration of the company's UK employees;
- the 75th percentile FTE remuneration of the company's UK employees.

The company must also provide as supporting information:

- the methodology for calculating the ratios
- reasons for changes from the previous year
- why the company believes that the median ratio is appropriate.

ceorl	Anglo-Saxon small freeholder or freeman.
CEP	(1) Civil evasion penalty, a penalty for dishonest evasion of tax. (2) Contributions equivalent premium, for pensions. (3) Prefix for HMRC's tax manual on civil evasion penalties.
cepi corpus	Latin: I have taken the body. Notification from a sheriff to a court that he has custody of a person.
CER	Certified Emission Reduction. The successful emission reduction which is equivalent to one tonne of carbon dioxide (Kyoto Protocol Article 12).
cereal	Food product grown in quantity for making food products. It is traded as a commodity . The main types of cereal are breadgrains, foddergrains, corn and rice . For VAT, cereals are usually zero-rated as food (VAT notice 701/14).
cereal bars	For VAT, these are zero-rated as food unless they are sweetened with "honey or other added sweetening matter" (VAT notice 701/14). There have been many tribunal hearings on the exact scope.
cereal year	Period of 12 months from 1 July to 30 June. It is used for the Whisky Export Refund Scheme .
certain annuity	An annuity which is paid for a fixed number of years, instead of for an indefinite number (such as for the rest of a person's life).
certainty	In law, a lack of ambiguity or confusion. This is a legal requirement in many branches of law. A contract may be void for lack of certainty. An express trust must have three certainties of words and intention, subject matter, and beneficiaries. In philosophy, a distinction may be made between certainty and certitude . The former denotes what may be proved to a person, so if A = B and B = C, certainty shows that A = C. In contrast, certitude is what is believed because the source is trusted. In tax as in every other aspect of life, most of what we believe derives from certitude.
certainty equivalent method	In banking, a method of expressing risky returns in a capital budget in terms of its equivalent in a risk-free return.

certificate Official document containing a declaration, such as that goods are of a stated quality or that a person has passed a standard.

For social security, the term is used in Social Security Act 1998 s39ZA to mean a document signed by Secretary of State or equivalent authority and which is conclusive evidence of a decision on social security. This procedure has now been superseded by the first tier tribunals.

certificated bailiff Person who collects debts for bodies other than the court, such as for a local authority or tax body.

certificated bankrupt Term once used for a bankrupt who was given a **certificate of misfortune**.

Certificate of Accrual on Treasury Securities (CATS)

In USA, a zero-coupon bond issued by the US Treasury.

certificate of age exemption Document issued by Department of Work and Pensions to individuals who have reached state retirement age. An employer may accept this as evidence that the employee is no longer liable to pay employees' national insurance.

certificate of approval Document confirming that something has been officially approved.

certificate of debt Certificate from an officer of HMRC that a sum is owed (Commissioners for Revenue and Customs Act 2005 s25A).

certificate of deduction of tax Certificate that was issued by a building society under Income and Corporation Taxes Act 1988 s352 showing how much interest had been paid gross of tax and how much net.

certificate of deposit Document indicating that money has been deposited. Although this can apply to a deposit with a bank, it is most commonly used to mean funds deposited with the tax authorities.

certificate of destruction (CoD) Certificate issued by an **authorised treatment facility** in respect of a car or other vehicle that has legally been scrapped.

certificate of discharge Certificate that HMRC may issue in respect of inherited property under Inheritance Tax Act 1984 s239. It confirms that the inheritance tax has been paid. Such a certificate is normally issued no earlier than two years after the transfer.

The certificate assures a acquirer that no further tax is payable, unless the acquirer was party to a fraud or misrepresentation.

certificate of entitlement A certificate issued by an embassy, high commission, consulate, visiting force contingent or international organisation, or equivalent.

Such a certificate is generally evidence that supplies to the issuer are zero-rated for VAT in accordance with EC Council Directive 77/338/EEC article 15(10). The certificate must be retained.

The procedure is amended for British forces in Cyprus or for any visiting forces in Germany.

Further details are given in VAT notice 725.

- certificate of full disclosure** The final stage for a taxpayer under the **Contractual Disclosure Facility (CDF)**. This is used where a taxpayer is suspected of tax fraud. It allows HMRC and the taxpayer to agree a settlement without using powers under the criminal law.
The taxpayer signs the certificate to acknowledge that he or she has made full disclosure of all tax irregularities to the best of his or her knowledge and belief. The signature must be witnessed.
Details of the contents and requirements of the certificate are given in section 6.5 of the revised code of practice COP 9 issued on 19 January 2012.
- Certificate of Good Character** Document required by the **Disclosure and Barring Service** from the country from which a non-UK applicant seeks a certificate.
- certificate of incorporation** A document which confirms that a company is now registered and gives it a registration number.
The certificate is sometimes referred to as the company's birth certificate. The relevant law is contained in Companies Act 2006 ss14-16.
- certificate of independence** Certificate issued by the Certification Officer confirming that a trade union is an **independent trade union** (Trade Union and Labour Relations (Consolidation) Act 1992 s6).
- Certificate of Master** Report to the Chancery division of the High Court by a barrister on a matter referred to him.
- certificate of misfortune** Document once provided to a bankrupt to state that his bankruptcy was not through his fault.
- certificate of naturalization** Document given to a foreign national who has become a British citizen, or British Dependent Territories citizen, by **naturalisation**.
- certificate of non-liability to income tax**
Certificate that an individual could send to a bank or building society between 6 April 1991 and 5 April 1996 stating that they are not liable to pay income tax. The bank could pay interest gross without any deduction for income tax.
- certificate of origin** Document indicating the country from where imported goods originated.
- certificate of quality** Document confirming the grade of a **soft commodity**.
- certificate of registration** Document stating that a person or body has been registered for a stated purpose.
- certificate of registration of death**
Copy of **death certificate** which may be used to claim social security benefits.
- Certificate of Secondary Education (CSE)**
School leaving qualification which could be sat by students in secondary

education, usually at the age of 16, who did not intend to stay at school to study for **A-levels**.

The examination was graded 1 to 5 where grade 1 was regarded as the equivalent of a C grade at O-level or GCSE.

The examination was sat between 1965 and 1988 when, with **O-levels**, it was replaced by the **General Certificate of Secondary Education (GCSE)**.

certificate of shares

Another name for **share certificate**.

certificate of shipment

Document issued by packers or consolidators who despatch goods by road, rail or sea (not air) when they receive a single authenticated transport document from the carrier.

The certificate is issued to each supplier whose goods were transported. The certificate must comply with strict requirements set out in VAT notice 725 when used as documentary evidence that goods have been supplied to another country.

certificate of Speaker

A certificate attached to a **money bill** by the Speaker of the House of Commons (Parliament Act 1911 s1). Such a certificate restricts the ability of the House of Lords to amend the Bill.

certificate of sponsorship

Document given by a sponsor of an overseas worker to a worker they wish to employ. It has a unique reference number. The worker uses the certificate to see if he has sufficient points to work, train or study in the UK.

certificate of tax deposit (CTD)

Scheme by which a taxpayer may deposit money with HMRC to pay future taxes. A CTD can earn interest. Since 6 March 2009, interest is only accrued on CTDs of at least £100,000 held for more than one month. If used to pay tax, the interest rate is 0.75%. If repaid in cash, the rate is 0.25%. Interest on CTDs below £100,000 has been zero since 5 December 2008.

A deposit by CTD may be made against taxes under investigation. It can stop late payment interest accruing.

A first CTD must be at least £500. Further CTDs must be for at least £250. There is no maximum. A new CTD is issued for each deposit; a CTD cannot be topped up.

CTDs can be used to pay for income tax under self-assessment, corporation tax, capital gains tax (but not annual tax on enveloped dwellings), class 4 national insurance, inheritance tax, petroleum revenue tax and petroleum royalty. For corporation tax, only series 6 certificates purchased in 1993 or earlier may be used.

No new certificates are issued from 23 November 2017. Existing certificates may be used until 23 November 2023. After that date, certificates may be sent to HMRC for a refund.

certificate of tax paid

Certificate issued by HMRC confirming how much tax has been paid, and the income to which it relates. on a transaction in land (Corporation Tax Act 2009 s830).

certificate of value	For stamp duty, a certificate made in connection with a transaction in property that it is not a transaction nor part of a series of transactions whose value exceeds a minimum, and that therefore either no stamp duty is payable, or it is payable at a lower rate.
certificate relating to protected leasing	Certificate issued under the provisions of Capital Allowances Act 2001 s118. It relates to protected leasing which allows capital allowance to be claimed for plant and machinery subject to an overseas lease. The matter is explained in the Inspector's Manual at CA 24100.
certificate that sum due	HMRC certificate that may be issued in connection with PAYE under PAYE regulations SI 2003 No 2682 reg 218.
certificate to commence business	Document issued by the Registrar of Companies to a public limited company . The certificate confirms that the nominal value of the allotted share capital is at least £50,000. The company cannot trade or borrow money until this certificate is issued.
Certification Officer	Public servant who keeps a register of trade unions (Trade Union and Labour Relations (Consolidation) Act 1992 s254).
certification provider	For the purposes of data protection, "means a person who issues certification for the purposes of Article 42 of the GDPR" (Data Protection Act 2018 s17(8)).
certified accountant	Member of Association of Chartered Certified Accountants, now known as a chartered certified accountant. Membership is by examination and satisfying the council of sufficient relevant work experience. A member is an associate (ACCA) until gaining a fellowship (FCCA).
certified cheque	Cheque which a bank confirms will be paid from funds set aside from the signatory's account.
certified copy	Copy of a public document which is certified as a true copy by an officer to whose custody the original document is entrusted.
certified photocopy	Photocopy of a document which a person of standing (such as an accountant or lawyer) has countersigned to confirm that he has seen the original and this is a fair copy. Such certified photocopies are now needed to open a bank account.
certified photograph	Photograph bearing a countersignature by a person of standing who confirms that the photograph is of a true likeness of the subject.
certified public accountant	Accountant who has qualified in the USA and has a certificate allowing him or her to practise in that state.

certified translation	<p>In company law, “means a translation certified to be a correct translation” (Companies Act 2006 s1107(1)).</p> <p>Documents drawn up in Welsh or any other non-English language and submitted to Companies House must be accompanied by a certified translation.</p>
certiorari	<p>Injunction granted by a court to overturn a decision of a lower court or tribunal, such as when that court or tribunal has overstepped its powers.</p>
certitude	<p>In philosophy, belief because the source is trusted, as against certainty where something is believed because the believer has demonstrated its truth. In tax, as in all walks of life, most of what is believed is from certitude.</p>
certum est quod certum reddi potest	<p>Latin: that which is capable of being made certain is to be treated as certain.</p>
CESR	<p>Council of European Securities Regulators.</p>
cess	<p>Old word for tax, particularly a local tax charged on plantation products, such as tobacco and jute. A cess is used to benefit the industry on whose products it is levied. The word is rarely used now.</p>
cessante causa, cessat effectus	<p>Latin: when the cause ceases, the effect ceases.</p>
cessante statu primitivo, cessat derivativus	<p>Latin: the original state ceasing, that which is derived from it ceases.</p>
cessate grant	<p>Grant of representation that terminates at the end of a specified time span.</p>
cessat executio	<p>Latin: suspending execution</p>
cessation	<p>Ending of a continuous process, such as when a business ceases trading. There are special tax provisions for cessation of business. For companies, these are set out in Corporation Tax Act 2010 s50.</p>
cessaton adjustments	<p>In international tax, the various adjustments made to profits in the final year of trading. These typically involve:</p> <ul style="list-style-type: none">• bringing reserves and provisions into taxable profits• revaluing closing stock to disposal value• claiming any unused allowances on fixed assets• utilising reliefs carried forward.
cessation date	<p>Date on which something ceases. For example, the term is used in SI 2010 No 429 in relation to a pension fund that ceases but where the benefits are transferred to a new fund.</p>
cessation expenditure	<p>Expenditure of a business relating to a cessation of trade.</p> <p>Such expenditure is usually not tax-deductible. This was established in <i>CIR v Anglo Brewing Co Ltd [1925] 12TC803</i>. The matter is discussed in the</p>

Inspectors' Manual at BIM38310. There are some statutory exceptions such as for redundancy pay.

cesser

In law, ending or determination of a matter.

cesser clause

Clause inserted into a **charterparty** when the charterer intends to transfer his right to have the goods carried to a shipper. It gives the shipper a lien over the goods for the freight payable.

cesser on redemption

Legal term for when a mortgage must be repaid.

cessio bonorum

In Scots law before 1913, when a debtor gave up his possessions to his creditors as protection against imprisonment.

cession

Yielding up.

cesspool

For VAT, the emptying of a residential cesspool is generally zero-rated as a sewerage supply under Value Added Tax Act 1994 Sch 8 Group 2. Further details are given in VAT notice 701/16.

cestui que trust

Old French: beneficiary; person for whom another person is a **trustee**.

cestui que use

Old French: person who has an interest in property during the life of another.

cestui qui vie

Person to whose use or benefit lands or other hereditaments were held by another person.

This was originally subject to Cestui Que Vie Act 1666 of which sections 1 and 4 remain law.

CET

Common External Tariff.

cetane

Paraffin hydrocarbon found in petroleum.

cetera desunt

Latin: the rest is missing.

ceteris paribus

Latin: all things being equal.

Ceylon

The name for **Sri Lanka** before 1972.

cf

Abbreviation: compare.

CF 9

The form a married woman could complete before 1975 to allow her to pay the reduced rate of national insurance.

These forms were input on to a computer from 1974 and then destroyed. Where there is argument about whether the woman had completed such a form, the matter is determined on the balance of probabilities.

CFA

Chartered financial analyst.

CFC	(1) Common Fund for Commodities. (2) Controlled foreign company.
CFD	Contract for difference.
CFE	Confédération Fiscale Européene
CFE Tax Advisers Europe	International body of European tax institutes. Before September 2017, it was known as Confédération Fiscale Européene.
CFF	Crime Fighting Fund
CFI code	Code for classification of financial instruments. They identify the type of financial instrument; they do not identify the actual security, such as the company. The main CFI codes are: E: equity U: no restrictions S: ordinary share F: fully-paid V: voting A: registered
CFO	(1) Chief finance officer. (2) Air Passenger Duty (Connected Flights) Order SI 1994 No 1821. (3) Cancel former order.
CFP	(1) Capital fulcrum point. (2) Common fisheries policy.
CFP franc	Unit of currency linked to the value of the euro , used by French territories in the Pacific.
CFSP	(1) Customs Freight Simplified Procedures. A simplified procedure for the importation of third country goods, including the Simplified Declaration Procedure and the Local Clearance Procedure. (2) Common foreign and security policy. (3) Prefix for HMRC's tax manual on Customs freight simplified procedure.
CFT	(1) In terms of law courts, civil, family and tribunal jurisdictions. (2) Counter-financing for terrorism.
CFTC	Commodity Futures Trading Commission.
c/fwd	Carried forward. Indication in bookkeeping of a sub-total taken to a later page.
CG	Prefix for HMRC's tax manual on capital gains.
CGBR	Central Government Borrowing Requirement.
CGNCR	Central government net cash requirement.

CGT	Capital gains tax.
CH	Prefix used for HMRC's compliance handbook.
Ch	(1) Chancery. Since 1875 this has been part of the citation for reports of cases heard in the Chancery division of the High Court. (2) Chapter, in Acts of Parliament.
Chad	Chancery Division of the High Court. Part of case citations.
CHAI	Commission for Healthcare Audit and Inspection.
chain	(1) Old imperial unit of measure equal to 22 yards, 66 feet or 20.1168 metres. There are 80 chains in a mile. (2) For the purposes of computing, a record of previous transactions to which a block of current transactions is added in a blockchain .
chain of causation	Term used for the legal principle that a person can be liable for foreseeable consequential losses provided there is a clear link with a previous loss.
chain of command	List of officers each of whom must take orders from those above and may give orders to those below. In a business organisation, it is considered advisable to keep chains as short as possible, perhaps with an absolute maximum of four levels to avoid problems of remoteness of command .
chain of executorship	Principle whereby if an executor of an estate has predeceased the testator, the executor's own executor acts. So if A appoints B as executor, and B appoints C, and C appoints D; if B and C die before A, D will act as executor for A. This can be avoided by appointing alternative executors. The law is contained in Administration of Estates Act 1925.
chain of leases	Series of leases, such as A leases to B who leases to C, and so on. From 19 April 1999, if any link in the chain is overseas, the whole chain is regarded as an overseas lease for the purposes of capital allowances.
chain of representation	In executorship, the sequence of executors who may administer an estate of the deceased. Suppose A dies nominating B as executor in his will, but B has already died, nominating C in his will, and C has already died nominating D in his will, D may act as executor for A.
chain payment	Payment made to a worker through a series of bodies. In relation to a worker who provides his or her services to a public body via a personal service company, the term is used in Income Tax (Earnings and Pensions) Act 2003 s61S as inserted by Finance Act 2017 Sch 1.
chain transaction	In international tax, a series of transactions between traders involving the same goods. For tax purposes, each transaction is usually taxed separately unless the series comes within the provisions of an anti-avoidance rule.

chairman	<p>Person who conducts a meeting. Such a person may also have general oversight functions between meetings.</p> <p>The chairman is either appointed according to a constitutional procedure, failing which the chairman is elected by the meeting itself. Such a ballot is conducted as the first item of business either by the secretary or most senior person present.</p> <p>Provisions for determining the chairman for company meetings are given in Companies Act 2006 s319.</p>
chairman's statement	<p>Statement made by the chairman of a company and usually included with the published annual report. Unlike the statutory directors' report, the chairman's report is optional and is not subject to the same audit scrutiny.</p> <p>It often reads like a marketing document for the company. Topics typically covered include:</p> <ul style="list-style-type: none">• strategy and business plans• general trading performance• prospects for the next year• performance of different parts of the company• acquisitions, disposals and any other significant events.
chair rental	<p>Charge for using a chair and other facilities, particularly in a hairdressing salon.</p> <p>It is common for a salon to have an arrangement whereby hairdressers pay a chair rental to the premises owner and keep the fees. There have been numerous cases on whether such arrangements comprise one business or several for VAT.</p>
chalan	<p>Waybill; pass sending a man to a magistrate. [It can be spelled challan.]</p>
chalking the door	<p>In Scotland, a form of warning to tenants to vacate tenements.</p>
chalk it up	<p>Charge to a person's account for payment later.</p>
challenge grant	<p>A grant that is made on the condition that other funding be secured, either on a matching basis or by some other formula, usually within a specified period of time, with the objective of encouraging expanded fundraising from additional sources.</p>
challenge of jurors	<p>The right to challenge a person asked to sit as a member of a jury.</p>
challenge to fight	<p>Old criminal offence, abolished by Criminal Law Act 1967 s13.</p>
challenging conversation	<p>Term used by ACAS to mean a difficult conversation between an employer and employee, particularly in relation to discipline or grievance. ACAS produced guidance on such conversations in June 2018.</p>
chamber-counsel	<p>Person who gives legal advice privately but does not appear in court.</p>
chamberlain	<p>Officer appointed to perform ceremonial duties.</p>

Chamberlain, Austen	English politician (1863-1937) who was Chancellor of the Exchequer from 9 October 1903 to 4 December 1905 under the National Government of Arthur Balfour, and from 10 January 1919 to 1 April 1921 under the coalition government of David Lloyd George.
Chamberlain, Neville	<p>English politician (1869-1940) who was Chancellor of the Exchequer from 27 August 1923 to 22 January 1924, and again from 5 November 1931 to 28 May 1937 under the national government of Stanley Baldwin. He was the half-brother of a previous Chancellor Austen Chamberlain.</p> <p>As Chancellor, Neville Chamberlain increased taxes to pay for rearmament for the war.</p> <p>He was prime minister from 28 May 1937 to 10 May 1940.</p>
Chamber of Commerce	Representative body for trades in an area. They are taxed as a mutual trading organisation, as is discussed in the Inspectors' Manual at BIM24750.
chambers	<p>(1) Rooms attached to a court in which judges and other court officers deal with matters that do not need to be heard in court.</p> <p>(2) Private offices of barristers.</p> <p>(3) Categories of tribunals according to the nature of what is being determined, such as tax tribunals. Each tribunal has a first-tier tribunal and an upper tribunal.</p>
chambré	Description of red wine which has been raised to the temperature of the room in which it is to be drunk.
Chambre Agent General Index	Share index of the Paris Bourse.
Champagne	Luxury sparkling wine produced in the Champagne region of France. It is subject to wine duty and VAT. Use of the word is strictly controlled.
Champions League	Football competition. Finance Act 2012 s13 provides tax exemptions for those who participate in 2013. Finance Act s63 and Sch 20 provides tax exemptions for those who participate in 2011.
chance	Unknown element which gives rise to probability .
chancel	<p>Part of the church which separates the nave from the altar.</p> <p>For tax, the significance is that a lay rector (a local land-owner) can be required to pay for the repair of the chancel under a practice that originated under Henry VIII and is now in Chancel Repairs Act 1932. This affects about 5,200 churches. As the church can only usually obtain grant funding when all other sources are exhausted, a church is in effect required to exercise this ancient right.</p> <p>There are also extant provisions under Tithe Act 1936 s31 and Sch 7.</p> <p>A practical problem is that the lands to which this liability relates are ancient (sometimes from 13th century) and not always accurate.</p> <p>In the case <i>Aston Cantlow v Wallbanks [2003]</i>, the Court of Appeal held that this liability was contrary to Human Rights, but the House of Lords upheld the liability, meaning that the land-owners had a large bill. Following that</p>

case, it is now possible to obtain chancel repair liability insurance.

Under Land Registration Act 2002, existing chancel repair obligations cease on 13 October 2013 unless the church has noted the interest with the land registry before this date.

chancellor	Officer of state whose powers vary with each use of the title.
Chancellor of the Exchequer	The finance minister in the British government.
Chancery	One of the three divisions of the High Court. The other two are Queens Bench Division and Family Division . Chancery mainly deals with equity issues. It also deals with tax cases. It was created by Judicature Acts 1873-75.
Chancery Court of York	Church court of the Church of England in the province of York (Ecclesiastical Jurisdiction and Care of Churches Measure 2018 s9(3)).
Chandler v Webster	Court case of 1904 relating to frustration of contract. A person booked a room to watch the Coronation procession. This was postponed as the King was ill. The hirer claimed that the contract had been frustrated, but the court held otherwise as the payment was due before the procession.
change	In relation to leasing change (a change in an accounting standard for leases) means "the issue, revocation, amendment or recognition of, or withdrawal of recognition from, the standard by an accounting body" (Finance Act 2011 s53(9)).
change agent	Management consultant who advocates significant changes.
change arrangements	For capital allowances, "means any arrangements made to bring about, or otherwise connected with, the qualifying change..." (Capital Allowances Act 2001 s212M(1)). The definition goes on to define "arrangements". Such a change can disallow the capital allowance.
change in accounting estimate	<p>"An adjustment of the carrying amount of an asset or liability, or the amount of the periodic consumption of an asset, that results from the assessment of the present status of, and expected future benefits and obligations associated with, assets and liabilities. Changes in accounting estimates result from new information or new developments and, accordingly, are not corrections of errors" (FRS 102 glossary and section 10.15.</p> <p>For International Accounting Standards, an identical definition is given in IAS 8 para 5.</p>
change in accounting standards	"Means the issue, revocation, amendment or recognition of, or withdrawal of recognition from, an accounting standard by an accounting body " (Corporation Tax Act 2009 s465A(1) and s701A(2)).
change in the award	For completing form P11D for PAYE, this means amending the amount of a termination award . The term is defined for these purposes in PAYE

regulations SI 2003 No 2682 reg 92(2).

change in the tax adjustments period

This term —

“(a) does not include a change made in order to comply with amending legislation not applicable to the previous period of account, but
(b) includes a change resulting from a change of view as to what is required or authorised by law or as to whether any adjustment is so required or authorised” (Income Tax (Trading and Other Income) Act 2005 s227(6)).

change in the VAT charged on a supply

References to this “include references to a change to or from no VAT being charged on the supply (including a change attributable to the making of an option to tax any land under Part 1 of Schedule 10)” (Value Added Tax 1994 s89(3)).

change machine

Machine which gives coins of a lower denomination. They are often found in amusement arcades to allow people to keep playing the games.

change management

In human resources, systematic application of knowledge and skills to help an organisation cope with a changed environment.

change national status

Term used by Passport Office when a person's **British nationality** status has changed since the previous passport was issued.

change of accounting date

The tax provisions are given in Income Tax (Trading and Other Income) Act 2005 from s214.

change of accounting policy

The term “includes, in particular —
(a) a change from UK generally accepted accounting practice to using generally accepted accounting practice with respect to accounts prepared in accordance with international accounting standards, and
(b) a change from using generally accepted accounting practice with respect to international accounting standards to using UK generally accepted accounting practice”
(Income Tax (Trading and Other Income) Act 2005 s227(4)).

change of basis

Term used in Corporation Tax Act 2009 s180 for a change of **accounting basis**.

change of name

When a person decides that they wish to be known by another name. This should be distinguished from simply *using* another name, as is common among entertainers. This requires no procedure, provided the real name is known by the tax and other authorities.

A change of name may be done simply by the person so declaring, provided that:

- the change is for all purposes, and
- the change is not for a fraudulent purpose.

Although it is traditional for a married woman to assume her husband's surname, there is no legal obligation on her to do so. Where she does, that is usually accepted without question.

Changes of name can be used for fraudulent purposes, such as for tax evasion, social security cheating or to conceal offences. It is therefore common for an employer or person who deals with that person to ask for evidence, such as a statement from a person of standing (such as a doctor) or for a signed affidavit.

There is a formal procedure of **deed poll** under the Judicature Act 1925. This is conclusive for all purposes. It is also possible to change a name by Act of Parliament as in Baines Name Act 1907.

An adult who is baptised may changed their Christian names at a service of confirmation in the Church of England under canon law B27(6).

Provisions for a company to change its name are contained in Companies Act 2006 ss77-81. A change of name takes effect from the date on the new **certificate of incorporation** (ibid s81(1)).

change raising

Scam which involves repeatedly asking for change from one denomination to another in such a way as to end up with more money.

For example:

- A gives B a £10 note and asks for ten £1 coins;
- A then says he actually has enough coins, and gives 19 coins back and gets the £10 note back;
- B points out that A has produced 19 coins which is too many;
- A gives B another £1 coin and asks for a £20 note.

You will find that A is £10 up. The effective way to deal with change raising is to deal with each transaction separately and carefully.

changing image

Security device of a picture which changes according to the angle at which it is observed.

changing price levels

Old term which means **inflation**.

channel

Term used by Customs to identify the exit through which a traveller should walk on arriving in the UK. The three are blue for travellers from the European Union; green for travellers outside with nothing to declare; and red for travellers from outside with something to declare.

channel lines

Lines on a technical analysis chart that connects high and low points of a market over time. A break in the line may be seen as an indication of an imminent change to a new level.

Channel Tunnel

Permanent rail link between Britain and France which opened on 1 December 1990. It is also known as **Chunnel**.

There are special provisions for goods imported through the tunnel. Under a special bilateral agreement, French and English Customs officers are allowed to work in each other's countries.

Export clearance facilities are provided at an **inland clearance depot (ICD)**. The English ICD is at Ashford in Kent. Incoming freight trains may be cleared at Willesden. Outgoing freight may be cleared at an ICD or at private sidings by special arrangement.

chantage	Payment to a newspaper or other journal to prevent publication of scurrilous material. It is a form of the crime of blackmail .
Chantrey Bequest	Sum left by Sir Francis Leggatt Chantrey (1781-1841) to the Royal Academy to purchase works of art for the nation.
chantry	Endowment, usually religious and charitable, to provide for singing masses for the soul of the founder.
chaotic lifestyle	Category of poor credit risk who can usually only borrow from loan sharks .
chapel	<p>Value added tax</p> <p>For VAT, admission to a chapel was held not to come within the scope of a cultural admission under Value Added Tax 1994 Sch 9 Group 13 Note 2 as the stipend paid to the dean and canons who were trustees related to the duties they performed. Therefore the chapel was not administered on a voluntary basis (<i>Dean and Canons of Windsor [1997] VTD 15703</i>).</p> <p>Business renovation relief</p> <p>For the purposes of claiming this relief, a derelict Wesleyan chapel was held to be a business in the case <i>Senex Investments Ltd. [2015] UKFTT (TC)</i></p>
chapel of rest	For VAT, a charge for use of such a chapel is exempt if provided as part of a funeral service. Further details are given in VAT notice 701/32.
chap-man	Old name for a merchant.
Ch App	Chancery Appeal. Series of Law Reports published between 1865 and 1874.
Chappell v Nestlé	Court case of 1959 which helped establish the principle that consideration for a contract need not be adequate but must have some value. In this case, used chocolate wrappers were held to be valuable consideration even though the recipient threw them away.
CHAPS	<p>Clearing House Automatic Payment System</p> <p>Bank procedure for making electronic payments from a bank account.</p>
chapter 2 claimant	<p>In relation to PAYE on jobseeker's allowance, "means —</p> <p>(a) a claimant who is entitled to jobseeker's allowance by virtue of regulation 17 of the JSA Regulations [1996] (laid off and short time workers);</p> <p>or</p> <p>(b) a claimant who is a share fisherman —</p> <p>(i) where the JSA Regulations apply, as defined in regulation 156 of those Regulations; and</p> <p>(ii) where the Jobseekers' Allowance Regulations 2013 apply, as defined in regulation 67 of those Regulations" (PAYE regulations SI 2003 No 2682 reg 148).</p>

chapter 2 overlap charge	Term used in relation to disguised remuneration (Income Tax (Earnings and Pensions) Act 2003 s554Z11C as inserted by Finance Act 2017 Sch 5).
Chapter 2 surrenderable loss	Term used in Corporation Tax Act 2009 s1055(1) in relation to research and development tax credits for small and medium-sized entities.
chapter 7	Section of the US Bankruptcy Reform Act 1978 which sets out the procedure for liquidating a company.
chapter 11	Section of the US Bankruptcy Reform Act 1978 which allows a corporation in financial difficulties to be protected from creditors for a period while it reorganises itself so that it can pay its debtors.
chapter 13	Section of the US Bankruptcy Reform Act 1978 which allows a business to continue trading while paying its creditors by regular monthly instalments.
chapter and verse	Full citation of an authority being quoted to support an argument. The expression comes from the Bible which is divided into chapters and verses.
char	(1) Charwoman, a female cleaner. (2) Colloquialism name for a cup of tea. This meaning comes from the Hindu word cha, when tea was served in the army in India.
character	(1) In law, evidence as to the personality of someone, particularly a litigant or witness. There are rules as to how far such evidence is admissible. (2) General term for all letters, digits, punctuation marks and other signs and symbols that are used to make up text.
character appropriate	In terms of agricultural property relief , means that the "farmhouse, cottage or building must be proportionate in size and nature to the requirements of the farming activities conducted on the agricultural land or pasture in question" (HMRC inheritance tax glossary).
character recognition	Computer program which allows a computer to read manuscript documents, provided the original is reasonably neat and clear. The program works by scanning in the document to produce what is the equivalent of a photocopy of it. The program then identifies the separate characters and, by comparison with a library of letter (and other character) shapes, it identifies what the letters are.
charcoal	For VAT, charcoal as domestic fuel may be reduced rated under Value Added Tax Act 1994 Sch 7A Group 1. Further details are given in VAT notice 701/19.
Charga-Plate	Predecessor of charge cards. It was an embossed metal plate similar to a dog tag, first issued in the USA from the 1930s to 1950s by merchant stores. The transaction was recorded by being embossed on a paper slip using inked rollers.

charge	<p>(1) An amount of money which must be paid for a reason.</p> <p>(2) In relation to interest or taxes, describes the reduction in ownership interest reported in the income statement (profit and loss account) due to the cost of interest and tax payable.</p> <p>(3) Legal or equitable interest on land, such as a mortgage.</p> <p>(4) Legal interest on the assets of a company, such as a debenture. The company must report such charges as set out in Companies Act 2006 from s860.</p> <p>(5) In Scots law, "a demand made to a person to pay a sum of money in, or comply with, an order of the court" (Judiciary of Scotland website glossary).</p>
chargeable	Description of an amount which may be charged, particularly to tax.
chargeable accounting period (CAP)	Period for which a company's profits are subject to corporation tax. This is usually a quarter for large companies, and a year for small companies.
chargeable amount	In pensions, the amount that exceeds the lifetime allowance and is therefore taxable. The term is defined in Finance Act 2004 s215(3).
chargeable amount on an age 18 to 25 trust	On an age 18 to 25 trust the chargeable amount is the amount by which the value of the trust has decreased as a result of a disposition by the trustees.
chargeable asset	<p>Asset which will produce a capital gain when sold.</p> <p>In the context of embedded derivatives, the term is defined: "an asset is a chargeable asset if any gain accruing on its disposal would be a chargeable gain for corporation tax purposes" (Corporation Tax Act 2009 s703).</p>
chargeable disposal	Disposal of an asset that may trigger a liability for capital gains tax . This excludes transfers between spouses or civil partners, and disposals on a "no gain, no loss" basis (Taxation of Capital Gains Act 1992 s3A(1)-(3)).
chargeable dwelling	Residential property for which council tax is payable (Local Government Finance Act 1992).
chargeable event	<p>Transaction or event which gives rise to a liability for capital gains tax.</p> <p>The term has a specific meaning in relation to employee share ownership trusts where the term is defined in Finance Act 1989 ss69-71.</p>
chargeable event certificate	Certificate issued on a chargeable event . It may be needed to see if the holder has a liability to the higher rates of income tax.
chargeable event on an ASP	<p>There are three such occasions:</p> <ul style="list-style-type: none">• the scheme member dies with an ASP• the relevant dependant of the member dies and benefitted from the left over funds of an ASP from a scheme member• (if neither of the above applied) when a dependant of a scheme member dies while benefitting from an ASP from a scheme member who died

before the age of 75.

- chargeable gain** Another name for capital gain, particularly by a company (Taxation of Capital Gains Act 1992 s15(1)).
The company is taxed on the whole gain subject to a reduction for indexation.
Before 18 March 1987, the gain was reduced by a fraction, which was 11/26 for many years. This reduced the then 52% rate of corporation tax to 30% which was then the capital gains tax rate.
- chargeable goods** For Customs purposes means “goods on the importation of which value added tax is chargeable or goods obtained in the United Kingdom before 1st April 1973 which are chargeable goods within the meaning of the Purchase Tax Act 1963” (Customs and Excise Management Act 1979 s78(1)).
“Goods are chargeable goods for the purposes of this Part unless they are domestic goods” (Taxation (Cross-border Trade) Act 2018 s2).
- chargeable income** Total amount of income from all sources on which an individual is liable to pay income tax. In the UK, the term usually means income after personal allowances.
- chargeable intangible asset** For corporation tax, an asset is so classed “in relation to a company at any time if any gain on its realisation by the company at that time would be a chargeable realisable gain” (Corporation Tax Act 2009 s741(1)).
- chargeable lifetime transfer (CLT)** For inheritance tax, a transfer of value made during a person’s lifetime on which inheritance tax is payable. This is usually a payment to a trust of a sum greater than the nil rate band.
- chargeable overseas earnings** Term used in Income Tax (Earnings And Pensions) Act 2003 s23 to define how income from overseas is taxed in the UK.
- chargeable period** “A year of assessment of a company’s accounting period” (Taxes Management Act 1970 s118(1)).
For capital allowances, the term “means —
(a) for income tax purposes, a period of account, or
(b) for corporation tax purposes, an accounting period of a company” (Capital Allowances Act 2001 s6(1)).
- chargeable process** Term used to describe a process that brings a product within the scope of purchase tax. Although the term died with the tax in 1973, the principle still applies under VAT rules, such as when zero-rated food becomes standard-rated catering.
- chargeable purchase** Term used between 1940 and 1973 to describe a purchase that triggered a liability to purchase tax.
- chargeable realisable gain** For corporation tax, “in relation to an asset means a gain on the realisation of the asset that gives rise to a credit required to be brought into account under

this Chapter" (Corporation Tax Act 2009 s741(2)).

chargeable soft drink

For soft drinks industry levy "means a packaged soft drink that —
(a) meets the sugar content condition (see section 29), and
(b) is not an exempt soft drink"
(Finance Act 2017 s28).

chargeable transfer

Gift made during a person's lifetime which is potentially chargeable to inheritance tax.

There are many transfers that a person may make which are not chargeable, such as regular payments to support a person. There is also an annual limit per person and an annual limit per donor. If the transfer remains chargeable, in general the donor must live another seven years for the transfer to escape the tax.

chargeable transfer

"A transfer of value which is made by an individual but is not (by virtue of Part II of this Act or any other enactment) an exempt transfer" (Inheritance Tax Act 1984 s2(1). Sections 2(2) and 2(3) provide further definition.

chargeable use

In relation to biodiesel "means use —

- (a) as fuel for any engine, motor or other machinery
- (b) as an additive or extender in any substance so used
- (c) for the production of **bioblend**"

(Hydrocarbon Oil Duties Act 1979 s6AA(2)).

The same definition appears in Hydrocarbon Oil Duties Act 1979 s6AD(2) for **bioethanol**.

For **fuel substitutes**, the definition is limited to (a) and (b) above in Hydrocarbon Oil Duties Act 1979 s6A(2).

chargeable value

For inheritance tax, "the chargeable value of an estate on death is the total of the assets less liabilities less **exempt gifts** and capital reliefs" (HMRC inheritance tax glossary).

charge account

Facility a person or business has with a supplier where the supplier provides goods or services for later payment.

charge and discharge accounting

System of bookkeeping used in medieval times before double-entry became standard. It involves a person charging himself with receipts and discharging the account with payments.

charge by way of legal mortgage

The description of a property which is used to secure a loan of funds.

charge card

Payment card that allows its holder to spend money provided the whole amount is repaid within a defined period. American Express and Diner Club are charge cards.

It is not possible to pay tax using a charge card.

charge certificate	Document issued by Land Registry to a legal mortgagee of land.
chargé d'affaires	Diplomatic agent who is accredited by the foreign officer rather than by the monarch.
charged amount	Term used in Income Tax Act 2007 s427 in relation to the amount of tax relief that may be claimed for certain annual charges.
chargee	A person who has been charged.
charge for payment	In Scotland, formal notice of unpaid debt which allows a sequestration to proceed.
charge-hand	Leader of a team of workers.
charge point	In relation to electric vehicles, "means a device intended for charging a vehicle that is capable of being propelled by electrical power derived from a storage battery (or for discharging electricity stored in such a vehicle" (Automated and Electric Vehicles Act 2018 s9(1)(a)).
charges	Companies can charge for financial services in different ways, some more straightforward than others.
charges existing on property acquired	When such property is acquired by a company, it must report the matter to Companies House as if the date of acquisition were the date of the charge (Companies Act 2006 s862).
charges forward	Amounts for a customer to pay later.
charge sheet	In law, the form setting out the offences for which a person in court is accused.
charges on income	Payment by a company which reduces its liability to corporation tax (Income and Corporation Taxes Act 1988 s338A). This is now restricted to payments to charities. From 1 April 2010, the term is replaced by charitable donations relief and is governed by Corporation Tax Act 2010 ss189-217.
charging clause	Clause in a trust which allows a trustee to charge for his or her services.
charging notice	For diverted profits tax, a notice issued by HMRC after a preliminary notice, stating the amount of tax payable. The law is Finance Act 2015 from s95.
charging order	Court order which requires some of the proceeds of a sale of property to be paid to someone.
Charing Cross	Part of London which is widely regarded as the central point for calculating certain allowances. London weighting is typically provided for those who live

within a radius of so many miles from Charing Cross.

The place is not the modern site, but a point halfway between the ancient cities of London and Westminster where a cross was erected in the long gone village of Charing. This spot is now where a statue of Charles I sits on the south side of Trafalgar Square. The present cross at Charing Cross station was erected in 1865.

charitable

Description of something which is for the public benefit and therefore qualifies for special rules for charities.

charitable benefit

Term sometimes used to mean the maximum amount of benefit a charity may provide to a donor for the donation still to qualify under **Gift Aid**.

From 1/6 April 2011, the benefit level is:

Amount of donation	Maximum benefit
Under £100	25% of donation
£100 to £1,000	£25
Over £1,000	5% of donation to £2,500

~

Before 1/6 April 2011, the maximum was £500.

charitable company

"Means a charity which is a company" (Charities Act 2011 s193).

The requirements of such a company are given from s194.

Such a company may convert to a **CIO** under s228.

charitable day centre

If such a centre provides medical and surgical treatment, and is not primarily a place for social or recreational activities, it may qualify as a **charitable institution** for the purposes of receiving **charity funded equipment** (VAT notice 701/6).

charitable deductions

In the USA, deductions which may be made from taxable income in respect of donations to charities.

In the UK, such deductions are not generally deductible, though the charity can receive back the equivalent of the basic rate of tax paid if the donation is made under Gift Aid. If the taxpayer is liable to the higher rate, the additional tax relief is refunded to the taxpayer.

charitable domiciliary care provider

Organisation that provides medical, personal or nursing care service to disabled people in their homes.

A limited range of **charity funded equipment** may be zero-rated when supplied to such a provider (VAT notice 701/6).

charitable donations relief

Term used in Corporation Tax Act 2010 ss189-217 for what was previously called a charge on income.

charitable expenditure

In charity accounting, a figure in **SOFA** disclosing how much has been given to other charitable bodies.

- charitable giving** Donations to charities for worthwhile causes.
HMRC produces helpsheet HS342 on charitable giving.
- charitable incorporated organisation (CIO)**
Legal form currently being proposed for **charities**.
Details are given in Charities Act 2011 from s205.
- charitable institution** Body that may receive zero-rated **charity funded equipment** (VAT notice 701/6).
- charitable payment** Payment made by a company to a charity.
The term is used in Corporation Tax Act 2010 s192(1) in relation to the tax deductibility of such a payment.
- charitable purpose** *Rules from 2008*
A purpose which is for the **public benefit** and is one of the following descriptions:
“(a) the prevention or relief of poverty;
(b) the advancement of education;
(c) the advancement of **religion**;
(d) the advancement of health or the saving of lives;
(e) the advancement of citizenship or community development;
(f) the advancement of the arts, culture, heritage or science;
(g) the advancement of amateur sport;
(h) the advancement of human rights, conflict resolution or the promotion of religious or racial harmony or equality and diversity”;
(i) the advancement of environmental protection or improvement;
(j) the relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage;
(k) the advancement of animal welfare;
(l) the promotion of the efficiency of the armed forces of the Crown, or of the efficiency of the police, fire and rescue services or ambulance services;
(m) any other purposes within subsection (4) [which relates to reasonably analogous purposes]”
(Charities Act 2006 s2(2)).
The above list is repeated in Charities Act 2011 s3(1) thoughh item (m) is worded differently.
- Rules before 2008*
This new requirement took effect from 1 April 2008.
Before this date, charitable purpose was usually considered according to the categories established in the case *Commissioners of Income Tax v Persil [1891]*. These categories were:
(a) the relief of poverty;
(b) the advancement of religion;
(c) the advancement of education;
(d) any other purpose beneficial to the community, including the relief of human or animal suffering.

charitable relief	<p>Relief from business rates where a premises is used wholly or mainly for charitable purposes or for a community amateur sports club. This relief applies to charity shops that sell donated goods to raise funds.</p> <p>The relief must be at least 80% of the business rates. The local authority has the discretion to increase this to 100%.</p> <p>The local authority also has the discretion to extend this relief to other non-profit-making bodies such as recreational clubs.</p>
charitable resources objective	<p>One of the objectives of the Charity Commission (Charities Act 2011 s14).</p>
charitable secondment	<p>Releasing employees to work for a charity. Provided relevant conditions are met, such expenses are deductible from taxable profits from 1 April 1983. This is extended to educational bodies from 26 November 1986. (Income Tax (Trading And Other Income) Act 2005s70).</p>
charitable status	<p>The status that a body is registered as a charity.</p> <p>A company that is so registered must disclose that fact under Charities Act 2011 s194.</p>
charitable subsidy	<p>Tax charged from 1422. It was an extension of fifteenths and tenths charged on chaplains and pensioners, who were otherwise exempt. It is not clear when this tax ended.</p>
charitable trade	<p>Trading activity conducted by a charity. The term is defined in Income Tax Act 2007 s525.</p> <p>Broadly, such trading income may be exempt from income tax under <i>ibid</i> s524. If not, the same result can easily be achieved by the trade donating its profits under Gift Aid.</p>
charitable trust	<p>Trust established wholly for charitable purposes. Such a trust is exempt from many rules and tax provisions which apply to other trusts. For example, a charitable trust has an indefinite life.</p> <p>The trust must be for a charitable purpose.</p> <p>For the purposes of income tax, the term means "a trust established for charitable purposes only" (Income Tax Act 2007 s519).</p> <p>A charitable trust lasts indefinitely, it cannot be void for uncertainty, it can be varied if it becomes obsolete and its property can pass to another charity under the cy-pres doctrine.</p> <p>For tax purposes, the advantages of a charitable trust are:</p> <ul style="list-style-type: none">• donations may be tax-relieved, such as under Gift Aid, covenanted payments or payroll giving;• lifetime and death gifts to charities are exempt from inheritance tax and capital gains tax;• the trust itself pays no tax on its income or capital disposals. <p>The income tax rules are set out in Income Tax Act 2007 from s517.</p>
charities	<p>Charities are non-profit distributing bodies established for a charitable purpose.</p>

Charities Aid Foundation (CAF) Charity that allows donors to make donations to other charities by means of a special cheque or payment card.

Typically CAF recovers basic rate income tax at source and deducts its own fee. The balance may then be passed to whatever charities the donor wishes.

Charities Helpline

HMRC telephone service to assist charities. The number is 0845 302 0203. The address is HMRC Charities, St Johns House, Merton Road, Liverpool L75 1BB.

charity

Definition

“An institution which:

(a) is established for **charitable purposes** only, and

(b) falls to be subject to the control of the High Court in the exercise of its jurisdiction with respect to charities.”

(Charities Act 2006 s1(1)). This definition is repeated in Charities Act 2011 s1(1).

“Any institution, corporate or not, which is established for charitable purposes and is subject to the control of the High Court in the exercise of the court’s jurisdiction with respect to charities” (Charities Act 1960 s45). This definition was introduced from 1 August 1993. Further details are given in **charities**.

A broader definition for allowable donations from companies is given in Corporation Tax Act 2010 s202 and s217, and in Income Tax Act 2007 s430. This adds certain public bodies.

Income tax

A charity is not liable to income tax on its charitable income. If the charity trades, such as running a shop, the trade is taxable though, in practice, this is usually addressed by donating the proceeds under Gift Aid.

Inheritance tax

Donations to a charity are exempt from inheritance tax (Inheritance Tax Act 1984 s23(1)).

Value added tax

Charities have no general exemption from VAT which must be paid on taxable purchases. In this area, charities are taxed more heavily than commercial organisations which can reclaim input tax on purchases.

Certain supplies to and from charities have special VAT positions, as set out in VAT notice 701/1.

Donated goods to a **charity shop** attract relief.

Relief is provided for certain **charity challenge events**.

Capital gains tax

Generally a charity is exempt from capital gains tax and from corporation tax on chargeable gains (Taxation of Capital Gains Act 1992 s256).

Corporation tax and gifts

The tax implications of company gifts to a charity are set out in Corporation

Tax Act 2009 from s105.

Tainted donations

If the donor receives certain benefits, the gift is regarded as a **tainted donation** and tax relief is denied under provisions set out in Income Tax Act 2007 from s809ZH

charity accounts	The requirements are set out in Charities Act 2011 from s130.
charity begins at home	Expression which means that the first duty of care is to those nearest to you. It is based on 1 Timothy 5:4 in the Bible.
charity box	Container placed in a shop to collect donations for a charity.
charity challenge event	Treks, bike rides and similar events organised by a charity for fund-raising. The charity may provide travel and up to two nights' accommodation and still qualify for the fund-raising exemption for charities. After that, the event becomes taxable, usually under Tour Operators' Margin Scheme . Details are given in VAT notice 701/1. The relevant section was revised in May 2004.
Charity Commission	Body established under Charities Act 1993 s1A as a successor to the Charity Commissioner for England and Wales.
Charity Commissioners	Body responsible for overseeing charities in England and Wales. Similar bodies are proposed for Scotland and Northern Ireland The term "means the Charity Commissioners for England and Wales referred to in section 1 of the Charities Act 1993" (Interpretation Act 1978 Sch 1). The body remains in existence under Charities Act 2011 s13.
charity exemption	For inheritance tax, a transfer made to a charity and which is generally exempt from tax.
charity funded equipment	Such equipment when used for medical, veterinary and similar uses may qualify for zero-rating under Value Added Tax Act 1994 Sch 8 Group 15. Guidance is given in VAT leaflet 701/6.
charity land	There are special provisions regarding the disposition of such land, as set out in Charities Act 2011 s123.
charity law	"The law relating to charities in England and Wales" (Charities Act 2006 s2(8)). A longer definition is now given in Charities Act 2011 s331(1).
charity lump sum death benefit	In pensions, a lump sum benefit paid from a money purchase scheme to a charity on the death of a member aged 75 or over who has no surviving dependant.

charity match	Sports contest where the proceeds are applied to a charity .
charity merger	This is subject to special provisions under Charities Act 2011 from s305.
charity proceedings	Legal proceedings against a charity as set out in Charities Act 2011 s115(8).
charity rentcharge	Provisions for their release are set out in Charities Act 2011 s127.
charity-school	School funded by charitable donations.
charity shop	Shop that sells goods to raise funds for a charity . Such a shop may benefit from reduced business rates. Donated goods it sells are usually zero-rated for VAT.
Charity Tribunal	Tribunal established by Charities Act 1993 s2A to hear appeals from the Charity Commission, such as for non-registration as a charity.
charity trustees	"The persons having the general control and management of the administration of a charity" (Charities Act 1960 s46).
Charles I	King of Great Britain from 1625 to 1649, when he was executed.
Charles I taxes	Various taxes imposed by King Charles I between 1629 and 1640 during the 11 years that Parliament was suspended.
Charles II	King of Great Britain from 1660 to 1685, after the restoration of the monarchy.
Charles II taxes	Various taxes which Charles II tried to impose between 1660 and 1663 on the restoration of his reign.
Charlier's check	In statistics, an accuracy check when calculating mean and standard deviation. It involves calculating an additional function which may then be added and compared with the totals.
Charon's toll	Coin placed in the hand or mouth of a corpse by ancient Greece to pay Charon for ferrying the deceased across the river to Elysium.
chart	Diagram expressing information in graphic or tabular form. The sale of a chart usually comes within the VAT zero-rating for books and other publications.
chartered accountant	Member of : <ul style="list-style-type: none">• the Institute of Chartered Accountants in England and Wales;• the Institute of Chartered Accountants of Scotland; or• the Institute of Chartered Accountants of Ireland. It should be appreciated that it is the institute which holds the royal charter, not the member. There are three other accounting bodies which have royal charters. In Scotland, members use the letters CA after their name. In the other

bodies, members use either ACA for an Associate, or FCA for a Fellow.

Chartered Accountants Hall Premises in Moorgate Place, London, which is the headquarters of the Institute of Chartered Accountants in England and Wales. It was opened in 1893.

Chartered Association of Certified Accountants
Name briefly used by the **Association of Chartered Certified Accountants**.

chartered bank Bank which is established by a royal charter or government charter. Many banks in the USA and Canada are established by government charter.

chartered company Company which has been established by a royal charter rather under one of the Companies Acts.

chartered financial analyst (CFA)
Member of the CFA Institute who has passed the necessary examinations. It is an American body.

Chartered Institute for Securities and Investment (CISI)
Professional body for those in the securities and investment industry. It was formed in 1992. It received its royal charter on 9 October 2009, prior to which it was called the Securities Institute.
On 1 November 2015, it absorbed the Institute for Financial Planning.

Chartered Institute of Management Accountants (CIMA)
Professional body for accountants who specialise in management accounting.
It was originally formed in 1873 and given its first royal charter in 1912.
Membership is either Associate (ACII) or Fellowship (FCII).

Chartered Institute of Payroll Professionals (CIPP)
Professional body for those who work in payroll.
It was formed in 1998 as the Institute of British Payroll Managers. It was given its Royal Charter in November 2010.

Chartered Institute of Public Finance and Accountancy (CIPFA)
Professional body for accountants who work in the public sector. It is usually known by its initials, pronounced as "sip-far".
It was formed in 1885 and given its Royal Charter in 1959.

Chartered Institute of Taxation
Professional body for those who deal with taxes.
It is the most senior body for those who deal exclusively with tax. It was formed in 1930 and given a Royal Charter in 1994. Its fellows and associates use the designatory letters FTII and ATII respectively.

Chartered Insurance Institute A body controlling professional standards in the insurance industry.

chartered psychologist	“A person for the time being listed in the British Psychological Society’s Register of Chartered Psychologists” (Gender Recognition Act 2004 s25).
chartered tax adviser	Qualified member of the Chartered Institute of Taxation .
Charter for Budget Responsibility	Policy statement agreed by the House of Commons on 14 October 2015. It commits the government to reducing the deficit each year until a surplus is reached. A surplus is to be achieved in normal times. The Charter is suspended if there are four consecutive quarters when GDP growth is less than 1% or negative.
Charter of Budget Responsibility	Document prepared by HM Treasury in accordance with provisions of Budget Responsibility and National Audit Act 2011 s1.
Charter of Fundamental Rights	Document of the European Union proclaimed on 7 December 2000. Its legal status was uncertain until formally adopted by Lisbon Treaty on 1 December 2009. The Charter has six titles on dignity, freedoms, equality, solidarity, citizen’s rights, justice and general provisions. The UK ceases to be bound by the Charter when it leaves the EU (European Union (Withdrawal) Act 2018 s5(4)).
charterparty	Agreement by which a master lets an entire ship or part of a ship to the charterer, and undertakes to deliver the cargo placed there to a destination for an agreed sum. The charterer then becomes the legal owner of the ship; the master and crew become his agents.
charting	Technique of plotting share prices, indices and other financial data on a graph over time. The shape of the graph is used by a chartist to suggest what is likely to happen to the datum being charted.
chartism	Investment Practice of charting in reviewing share prices to predict future movements. Politics In politics, a working class movement which started in 1837 campaigning for universal suffrage, payment of MPs etc. The movement collapsed in 1848, but all its aims have subsequently been realised.
chartist	In investment, someone who uses charting .
chart of accounts	Listing of the accounts that may be used by a company in its bookkeeping. The accounts have six categories: assets, liabilities, capital, sales, cost of sales, expenses.
charts	Charts are zero-rated for VAT under Value Added Tax 1994 Sch 8 Group 3 Item 5 as explained in VAT notice 701/10. Charts intended as posters, plans or drawings are not zero-rated within

this Group.

The VAT tribunal has held that the context of the Act makes clear this must be a geographical chart similar to a map. It could not be extended to a historical chart giving genealogies of British monarchs (*Brooks Histogram Ltd [1984] VTD 1570*).

chase	<p>(1) In commerce generally, any action designed to get another person to do something, such as securing completion of work or payment of a debt.</p> <p>(2) In gambling, making a further bet in an attempt (usually futile) to recover a lost stake. An example is the martingale.</p> <p>(3) In property law, a small unenclosed deer forest protected by common law for a few individuals.</p> <p>(4) In printing, a metal frame for holding the type for one page.</p>
chasing losses	<p>In gambling, trying to win back money lost in previous gambles. It does not work.</p>
chastisement	<p>Right to inflict physical punishment on another person as a means of discipline. In the UK, it remains legal in moderation for parents of their children. Whipping was abolished by Criminal Justice Act 1948 and later for prisons and armed services. A law book of 1816 sets out the rights of a master to chastise his wife, children, apprentices, servants and slaves.</p>
chattel	<p>Item of moveable property, as explained under chattels.</p>
chattel exemption	<p>Additional relief from capital gains tax when a chattel is sold (Taxation of Capital Gains Act 1992 s262).</p> <p>The relief has been £6,000 since 1989.</p>
chattel mortgage	<p>Money lent against the item purchased which is not land or buildings.</p>
chattels	<p>Moveable personal items.</p> <p>The word is defined in Bills of Sale Act 1878 s4 as comprising "goods, furniture, and other articles capable of complete transfer by delivery". Machinery is added by s5.</p> <p>Chattels includes fixtures when separately charged but not otherwise. It includes crops when harvested but not when still attached to the ground (s7). It does not include shares, land or buildings.</p> <p>"Personal property such as household and personal goods, furniture, jewellery, antiques and works of art, stamp and coin collections, cars, caravans and boats, electrical equipment, clothes, books and garden equipment" (HMRC inheritance tax glossary).</p> <p>There is a chattel exemption for capital gains tax.</p>
chattels personal	<p>Legal term for tangible goods owned by a person.</p>
chattels real	<p>Another name for leasehold properties.</p>
CHBS	<p>Central Hotel Booking Service (in armed forces).</p>

CHD	Coronary heart disease. Common abbreviation for sick notes (HMRC leaflet E14).
Ch D	Chancery Division, of the High Court. This abbreviation is used in case citations.
cheap	Inexpensive. In investment, the term is used to describe a new security if it appears inexpensive compared with the existing market.
cheapest to deliver	In futures trading, the most cost-effective security for the seller to buy and deliver on the fixed date. This is usually a Treasury security.
cheap labour	Collective term for workers who are paid a low wage.
cheap money	Loans where money is borrowed at a low rate of interest.
Cheapside bargain	Article that was bought at a very low price. It is a pun on the place name of Cheapside in London. This was the original London market where goods could be bought inexpensively.
cheat	Common law offence of fraudulently obtaining the property of another. It was abolished except for gaming, and for cheating the Revenue, which remains a common law criminal offence. It is not necessary for the act to be deceitful. The Supreme Court held on 25 October 2017 that cheating need not involve dishonesty (<i>Ivey v Genting Casinos (UK) Ltd (trading as Crockfords Club)</i> . [2017]. SC.) That case involved edge-sorting, where a player notices slight variations in the edges of particular playing cards.
cheating the devil	Colloquialism for an evil act whose gain is applied to a virtuous purpose.
Chebyshev's inequality	In statistics, theorem which states that if a probability distribution has a mean μ and standard deviation α , the probability that the value of a random variable with that distribution differs from μ by more than $k\alpha$ is less than $1/k^2$.
check	(1) American spelling for cheque . (2) American term for a bill , such as in a restaurant. (3) American term for a tick , or other sign which indicates that something has been confirmed as correct. (4) To verify the correctness of something.
checkable	(1) Description of something which can be checked, such as information in a job application form which can be verified with a company still trading. (2) In USA, description of a bank account for which cheque books are issued.
check book	American spelling of chequebook .
checked item	In computing, an item from a list of options produced by a program which the user has selected by clicking in a box. An example is when the user is selecting

options for loading software or is choosing **preferences** in software.

check digit

A control which helps verify that a number is valid.

This is usually calculated by performing mathematical functions to the other numbers. For example, if a customer is given an account number of 123456, a computer system may add them together (21) and give the last digit as the check digit. So a customer knows that his number is 1234561. The customer is not told how the check digit is calculated or even that one of the numbers is a check digit. If someone enters a number which has a wrong check digit, the number is automatically rejected.

The last two digits of a **VAT number** are check digits.

checked item

In computing, an item from a list of options produced by a program which the user has selected by clicking in a box. An example is when the user is selecting options for loading software or is choosing **preferences** in software.

checking

In relation to HMRC information powers, "includes carrying out an investigation or enquiry of any kind" (Finance Act 2008 Sch 36 para 58).

checking account

American term for a **current account** with a cheque book.

check-off

System that once applied whereby the employer deducts an employee's **trade union dues** and pays them to the trade union.

Such a system is entirely voluntary on all parties. An employer does not have to agree to operate such a system (even if the trade union is recognised), the trade union does not have to accept payments, and every employee in the trade union has the right not to have payments made in this way.

Deductions must be authorised by the employee in writing before the first one is made. An employee may notify an employer at any time to stop making deductions. The employer must stop the deductions as soon as possible on receiving such a notice.

From 23 June 1998, check-off requires only the same notification as any other deduction from wages.

The government had announced plans to end check-off in the public sector but decided in April 2016 not to proceed.

checkout

Place in a store where a customer concludes a purchasing transaction.

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.

check routing symbol

Number shown on a cheque in the USA. It identifies the Federal Reserve district through which the cheque is cleared. It serves a similar function to the UK **sort code**.

check sample

A sample of a consignment which is checked for quality to see if the whole consignment is acceptable.

- cheesecake** In marketing, an attractive female model designed to be appealing to men. The male equivalent is beefcake.
- Chelsea tractor** Colloquial name for a large passenger vehicle, typically one with high **carbon dioxide emissions**.
- Chemical Weapons Authority (CWA)**
Part of the Department for Energy and Climate Change.
One of its functions is to regulate the import of chemical weapons.
- Chemical Weapons Convention (CWC)**
International convention to which the UK is a signatory.
The convention includes lists of chemicals whose importation is subject to special procedures that must be followed to obtain Customs clearance.
- chemin de fer** This game is specifically listed in Betting and Gaming Duties Act 1981 s13(3) as coming within the scope of **gaming licence duty**.
- Cheney v Conn** Court case from 1968 which established that a later Act of Parliament takes precedence over an earlier Act.
- cheque**
Definition
"Bill of exchange drawn on a banker payable on demand" (Bills of Exchange Act 1882 s73).
Use as receipt
An undorsed cheque which appears to have been paid by a banker may be used as a **receipt** (Cheques Act 1957 s3).
Payment of tax
It is possible to pay tax by cheque. However, HMRC now recommends that taxpayers use an electronic form of payment.
A cheque should be made out to "HM Revenue and Customs only" followed by the appropriate reference number. This should be sent with a payslip, preferably in a pre-addressed envelope. The cheque should not be folded or have any paper clips or staples attached. A taxpayer should allow three working days for the cheque to arrive by first class post, and another three working days for the cheque to clear.
If a pre-addressed envelope is not used, the cheque should be sent to HM Revenue and Customs, Bradford, BD98 1YY.
A postdated cheque may be sent, but this should be accompanied by a covering letter explaining this to prevent attempts to pay in the cheque immediately.
The provision for paying PAYE by cheque is given in PAYE regulations SI 2003 No 2682 reg 219.
When payment is made
A cheque is treated as being received on the day it was *issued*, except for tax. Payment of tax by cheque is generally regarded as being made when the

cheque is received by HMRC provided it is cleared on first presentation (Taxes Management Act 1970 s70A(1)).

However for VAT, from 1 April 2010, a cheque constitutes payment when the funds are paid to HMRC's bank account. The trader must allow three working days. This change was made under the provisions of Value Added Tax Act 1994 s58B and Finance Act 2007 s95. It is intended to promote the use of electronic payment.

Stamp duty

Cheques were subject to 2d stamp duty. This was abolished in February 1971 when **decimal currency** was introduced.

Proposed abolition

It had been announced that the cheque was to be abolished from 2018, but the Payments Council has now they will not be abolished.

cheque account

Current account at a bank where the customer has a cheque book.

cheque book

Book provided by a bank to customers containing perforated blank cheque forms for the customer to use.

Cheques have been in use for centuries, though their use only became common at the end of the 19th century. Forms were simple then with instructions written on plain paper or forms with few details printed on them. It is still legally possible to write a cheque on plain paper (or anything else).

Cheque forms now contain a sort code comprising three pairs of hyphenated digits to identify the bank and branch, an eight-digit number to identify the customer, the customer's name and the name and address of the bank. The name of the payee is written on the top line, and the amount payable is written in words in the two lines below, except that pence may be indicated numerically, eg "forty-two pounds 59p". The amount is repeated in numbers in an adjacent box. The cheque must be signed and dated.

cheque book charity

Belief that one's altruistic obligations are met simply by making payments to meet need, and not by any further involvement.

cheque book journalism

Term introduced in the 1960s to mean the practice of paying people to sell sensational stories for newspapers to publish.

cheque card

Another name for a **cheque guarantee card**.

Cheque Card Management Committee (CMCC)

Part of the **Payments Council** that oversaw the operation of **cheque guarantee cards**.

cheque cashing arrangements

Arrangements made for cashing cheques, particularly informal ones such as a trusted customer cashing a cheque at a local shop.

The shop risks incurring a bad debt if the cheque bounces, but gains from customer goodwill and the reduced risk of having less cash on the premises.

cheque clearing	System for making payment on a cheque.
cheque guarantee card	<p>Plastic card issued by a bank which guarantees to the payee that the cheque will be honoured up to a figure stated on the card. It is now usual for a cheque card to be combined with a debit card.</p> <p>The scheme was introduced in October 1965 with a limit of £30 per cheque. It became a national scheme in July 1969. The limit was increased to £50 in August</p> <p>The scheme was discontinued from 1 July 2011, when the standard limit was £50, though 12% of cards had a £250 limit.</p> <p>These details apply to the scheme overseen by the Payments Council which covers the 28 main UK banks. Some financial institutions offer cheque cards outside the scheme. They may continue to offer cheque cards.</p>
cheque requisition	Written instruction within a business that a cheque needs to be raised.
Chequers Agreement	Agreement concluded by the prime minister and the Cabinet on 6 July 2018 at Chequers, the prime minister's retreat. The meeting was to agree a common position on the Brexit negotiations. This appeared to have been achieved, but ten ministers resigned over the following ten days. These included the Brexit secretary and the foreign secretary.
Cheques Act 1992	Act of Parliament which gave legal effect to the words a/c payee only on a cheque.
cheque shop	Retail outlet which allows people to borrow against their own postdated cheques.
cheque stub	The part of the cheque form which remains in the book when the cheque has been removed. It is usual to record the date, payee and amount of the cheque on the stub.
cheque to bearer	Cheque where the payee is "bearer". If this is an open cheque , it means that anyone may walk into the bank and cash it. In practice, most cheques now are supplied already crossed.
cheque voucher	<p>"A cheque:</p> <ul style="list-style-type: none">(a) provided for an employee, and(b) intended for use by the employee wholly or mainly for:<ul style="list-style-type: none">(i) particular goods or services, or(ii) goods or services of one or more particular classes" (Income Tax (Earnings And Pensions) Act 2003 s84(4)).
cherries	<p>For VAT, drained cherries are specifically zero-rated by Value Added Tax 1994 Sch 8 Group 1 Items Overriding The Exceptions 2.</p> <p>Fresh cherries are zero-rated as ordinary food under Group 1.</p> <p>Standard-rating applies to some other forms of cherry as explained in VAT Notice 701/14.</p>

cherry picking	Term used for any arrangement whereby someone selects the best parts of a package instead of taking the whole package. In the USA, the term is particularly used for research and development funding and transfer pricing.
chetrum	One hundredth of a ngultrum, currency in Bhutan.
Chevening House	Official country residence of the foreign secretary. It is governed by Chevening Estate Act 1959. Accommodation provided there is specifically exempt as a taxable benefit in kind under Income Tax (Earnings And Pensions) Act 2003 s101. Provisions of capital gains are disapplied to the estate under Taxation of Capital Gains Act 1992 s270.
chevisance	Money dealings; achievements.
chevron milling	A V-shaped milling introduced into the gold coins of George II and George III to deter counterfeiting.
CHF	ISO code for Swiss franc.
CHG	Prefix for HMRC's tax manual on complaint handling.
chiao	Chinese coin worth one tenth of a yuan.
Chicago Board of Trade (CBOT)	Main American exchange for financial futures.
Chicago Board Options Exchange (CBOE)	Financial exchange for options, established in 1973.
Chicago Mercantile Exchange (CME)	Main American futures and options market. It started in 1919 as a commodity futures market.
Chicago School	School of monetarists led by Prof Milton Friedman and based at the University of Chicago.
chicanery	Subterfuge based on petty dodges. The term originates from a chaugan, which is a crooked stick used in polo or an obstacle on race-course. The term chicane was then adopted for a hand in bridge which includes no trumps, and for a route which is deliberately obstructed to slow down traffic.
chicken-corn	Old alternative form for chicken-feed .
chicken-feed	Trifling amounts, such as the value of food fed to chickens.
chicory	For VAT, this is specifically zero-rated when sold as a product to make drinks. Under Value Added Tax 1994 Sch 8 Group 1, food is generally zero-

rated. Excepted Item 3 standard-rates beverages. Items Overriding The Exception 4 reverses the exception, thus reinstating the zero-rating.

Further guidance is given in VAT Notice 701/14.

If chicory is sold for other purposes, such as wood, it may be standard-rated.

CHIEF	Customs Handling of Import and Export Freight. This is HMRC's computerised system for processing import and export declarations.
chief accountant	Person who is responsible for the accounts functions in an organisation. In some organisations, particularly in the USA, the term chief finance officer is preferred.
chief executive	Person who is responsible for the overall management of an organisation.
chief executive officer (CEO)	Term for a chief executive in a commercial organisation, particularly in the USA, or in the British civil service.
chief finance officer (CFO)	Person who is responsible for the accounts of an organisation. This term is used in USA and other countries. In the UK, the term chief accountant is still preferred.
chief forester	Scottish officer appointed under Forestry and Land Management (Scotland) Act 2018 s73.
Chief Inspector of Rail Accidents	Person appointed under Railways and Transport Safety Act 2003 s3(2)).
Chief Ombudsman	Person so appointed by the Office for Legal Complaints under Legal Services Act 2007 s122.
chief-rent	Annual or other periodic sum payable to the owner of land. Provisions to redeem chief-rent are set out in Law of Property Act 1925 s191.
Chief Secretary to the Treasury	Government minister who is second in command to the Chancellor of the Exchequer at the Treasury. The Chief Secretary is usually a Cabinet minister.
child	<p><i>Definition: age</i></p> <p>Person under the age of 14 (Children and Young Persons Act 1933). A person aged 14 to 17 is legally a young person. Someone under the age of 18 is a minor. A different definition is sometimes used in specific legislation. For example, a child is defined to mean "an individual under 18" under Income Tax (Trading And Other Income) Act 2005s695A(5), in relation to child plans. Different definitions are used for other situations, such as in Welfare Reform and Work Act 2016 s3(10) in relation to troubled families, where a child can be someone up to the age of 24. Child Poverty (Scotland) Act 2017 s14(1) interprets a child as being someone under the age of 16 or who is a qualifying young person for social</p>

security purposes.

In international law, "a child means every human being below the age of eighteen years unless under the law applicable to the child, majority is attained earlier" (UN Convention on the Rights of the Child 1989 article 1).

There are many specific legal provisions for children.

Definition: relationship

The term is also used to mean a son or daughter of any age.

For inheritance, this includes children conceived but not yet born.

From 1969, a reference in a will to "my children" (or equivalent) includes illegitimate and adopted children, in addition to **natural children**.

VAT on clothing

There are many specific legal provisions for children. In particular, VAT for **children's clothing** is zero-rated whereas adult clothing is standard-rated.

The zero-rating is set out in Value Added Tax Act 1994 Sch 8 Group 16. This requires clothing to be below a size as set out in VAT Notice 714 and to be designed for children under the age of 14. This means that clothing for big children under 14 can be subject to VAT.

The issue has been tested several times. In the case *Brays of Glastonbury [1978] VTD 650*, moccasins were held not to be children's clothing as they had no evident feature of design for children. In *Smart Alex Ltd [2001] VTD 17832*, an XL size sweatshirt for an 11-year old was held to be standard-rated even though it was part of the school uniform.

Tax and national insurance

Children are liable to pay tax on the same basis as adults (except for national insurance for which the taxpayer must be 16).

There are also tax laws regarding passing money to children. Children are also connected persons with their parents, which can have tax implications, such as for corporation tax.

In general, income that passes from a parent to a child is only regarded as being the child's income up to a limit of £100 a year (£5 before 6 April 1991). This limit does not apply for sums passed from a grandparent or other person. This provision is now given in Income Tax (Trading And Other Income) Act 2005 s629(3).

For a child under 18, the duty to submit a tax return and pay tax rests with the parent or guardian under Taxes Management Act 1970 s73.

Before 6 April 1980 (1982 for foreign children), a taxpayer could claim **child relief** as an allowance against income tax. This was replaced by **child benefit**.

Social security

A parent or guardian may claim **child benefit** for any child who is either:

- under the age of 16, or
- under the age of 20 and in approved education or training.

There is a higher rate for the first child and a lower rate for a second or subsequent child. It is paid under Social Security Contributions and Benefits Act 1992 s141.

If the parent, guardian or their partner earns more than £50,000, the **high income child benefit charge** may apply. This claws back some or all of the child benefit.

There is also **guardian's allowance** paid in addition to child benefit when someone brings up someone else's child.

Some means-tested benefits, including universal credit, include elements allowing additional payments for households with children.

Relationship for tax purposes

In terms of relationship, tax law usually uses the expression simply to mean a son or daughter.

In such a context, the term is often further defined. For example, in Income and Corporation Taxes Act 1988 Sch 14 para 2(5) (which relates to friendly societies' life policies), the term "includes a step-child and an illegitimate child whose parents have married each other after his birth".

Employment

There is generally a restriction on employing children under the age of 13 in any work with exceptions for light agricultural or horticultural work for their parents or guardians, and with some limited exceptions for entertainment. (Children Act 1972 s1).

"Subject to the provisions of this section and of any byelaws made thereunder no child shall be employed —

- (a) so long as he is under the age of fourteen years; or
- (b) to do any work other than light work before the close of school on any day which he is required to attend school; or
- (c) before seven o'clock in the morning or after seven o'clock in the evening on any day; or
- (d) for more than two hours on any Sunday; or
- (e) to lift, carry or move anything so heavy as to be likely to cause injury to him" (Children and Young Persons Act 1933 s18).

There are special provisions for working in a parent's shop or farm, being engaged in entertainment, and singing in a church choir.

It is generally illegal to employ a child of school-leaving age. This is a factor that may be considered in determining whether wages paid to one's children are **excessive remuneration**. A leading case on this is *Dollar & Dollar v Lyon [1981] 54TC459*. This matter is discussed in the Inspectors' Manual at BIM37737.

child assessment order

Court order made in respect of a child when there is insufficient evidence for an emergency protection order. The assessment order allows for a child to be assessed to see if there is any danger to his or her welfare.

child bearing

Description of a woman considered to be able to bear a child.

There is no general presumption and, for example, statutory maternity pay may be claimed by a woman at any age.

For the limited purposes of **perpetuities**, it is assumed that a woman is of child-bearing age between 12 and 55 (Perpetuities and Accumulations Act 1964 s2), though there are documented cases of child birth to mothers

outside these ages.

child benefit

Social security benefit payable for a child under 16, or a **qualifying young person** who is 16 to 18 and in full-time education, and to some 19-year olds in limited circumstances.

It was introduced under Child Benefit Act 1975 when it replaced **family allowance**. It is now paid under Social Security Contributions and Benefits Act 1992 s141. It was increased in 1980 when **child relief** was abolished as an income tax allowance.

The benefit is usually paid to the mother who cares for the child, though it can be claimed by a man. It is a weekly amount for each child. A higher rate is paid for the first child in any week than for other children.

Benefit is paid weekly and does not depend on national insurance contributions.

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

From 7 January 2013, child benefit is clawed back if anyone in the household earns more than £50,000. The claw back is 1% of child benefit for every £100 of income above £50,000. The claw back is 100% for an income of £60,000 or more. This is known as the **child benefit high income charge**. The recipient of child benefit (usually the mother) may instead disclaim the benefit.

child benefit high income charge

Income tax charge introduced from 7 January 2013 to claw back **child benefit** where anyone in the household has a taxable income above £50,000.

child benefit records scandal

On 20 November 2007, Chancellor of the Exchequer Alistair Darling MP announced that HM Revenue and Customs has lost two discs containing personal details of 25 million individuals used in connection with child benefit. The discs have not been found, but there is no indication that they have been used improperly.

childcare

Various tax provisions relate to childcare.

From 6 April 1990, a **workplace nursery** is not regarded as a taxable benefit in kind provided certain conditions are met (Income Tax (Earnings And Pensions) Act 2003 s318).

An employer may provide **childcare vouchers**.

For the purposes of Childcare Payments Act 2014, childcare is defined as "any form of care or supervised activity for a child that is not provided in the course of the child's compulsory education" (Childcare Payments Act 2014 s2(1)).

The government provides 30 hours a week free childcare to working parents under the provisions of Children Act 2016 from s1.

childcare account

Account into which government-funded top-up payments may be made under the **Tax-Free Childcare** scheme introduced in autumn 2015.

The scheme provides 20% support on childcare costs of up to £10,000 a year for children under 12. The scheme replaces employer-supported

childcare. It may be claimed by employees, the self-employed and those on maternity or paternity leave.

The term is defined in Childcare Payments Act 2014 s15.

There is only account per child.

childcare account notice	For the purposes of childcare payments, "in relation to a person who is an eligible employee in relation to a relevant childcare scheme, means a written notice informing the employer that the employee wishes to leave the scheme in order to be able to open a childcare account or enable the employee's partner to do so" (Childcare Payments Act 2014 s12(4)).
childcare voucher	<p>"Voucher, stamp or similar document or token intended to enable a person to obtain the provision of care for a child (whether or not in exchange for it)" (Income Tax (Earnings And Pensions) Act 2003 s84(2A).</p> <p>From 6 April 2005 to 6 April 2011, they were tax free up to £55 a week.</p> <p>From 6 April 2011, they are tax-free up to £55 a week only for:</p> <ul style="list-style-type: none">• employees already receiving vouchers on 5 April 2011; and• employees who start receiving vouchers after 5 April 2011 <i>and</i> who are not expected to pay tax above the basic rate. <p>For employees who start receiving vouchers after 5 April 2011 and who are liable to pay either higher (40%) or additional (50% or 45%) rate income tax, the weekly limit is restricted to £28 and £22 (£25 from 6 April 2013) respectively. An employer is required to conduct a basic earnings assessment to see if the employee is likely to reach these higher rates.</p>
child deferred endowment	Endowment assurance policy on the life of a child. When the child reaches maturity, the policy can be cashed or converted to a full endowment or whole life assurance.
child destruction	Act causing a viable child to die during late pregnancy or birth.
child employee	<p>Person aged between 5 and 16 who undertakes paid work. There are strict conditions on allowing such work, mainly designed to protect children from harm and to ensure their education is not adversely affected.</p> <p>A child under the age of 16 is liable to pay income tax but not to national insurance of any class.</p>
Childers, Hugh	English Liberal politician (1827-1896) who was Chancellor of the Exchequer from 16 December 1882 to 9 June 1885.
child in care	For such a child, it is important to seek a national insurance number while the child is 15. If no-one is claiming child benefit , a number may not be issued automatically.
child in need	Child so identified under Children Act 1989. It creates a duty on the local authority to provide support.
child insurance	Children and Young Persons' Act 1908 made it illegal to insure a child's life.
child labour	<p>Manual work done by children of school age.</p> <p>In many countries, child labour is still common. This creates a moral</p>

dilemma when goods are imported from those countries. Most companies now refuse to accept such products.

Child Maintenance and Enforcement Commission

Body established as a replacement for the Child Support Agency from 2008.

child maintenance bonus Addition that may be made to **jobseeker's allowance** under Child Support Act 1995 s10.

The bonus is not subject to income tax (Income Tax (Earnings And Pensions) Act 2003 s670).

child of God Child who has been baptised.

child of the family Child who is regarded as the equivalent to a son or daughter under Matrimonial Causes Act 1973 or Children Act 1989.

In relation to capital gains tax on an **interest in a settlement**, means a child of either person in a marriage or civil partnership (Taxation of Capital Gains Act 1992 s169F(6)) and Sch 5 para 2(4A).

child or remoter issue Term used in some Acts of Parliament to mean a descendant. This is son or daughter, or grandchild, great-grandchild, great-great-grandchild etc.

child plan Another name for an **investment plan for children**.

The term is used in Income Tax (Trading And Other Income) Act 2005s695A(1).

Child Poverty Action Group (CPAG)

"The leading charity campaigning for the abolition of child poverty in the UK and for a better deal for low-income families and children" (CPAG website). It was formed in 1965.

The organisation also produces extensive literature on social security and other welfare provisions.

child protection conference Meeting of relevant bodies to determine what action should be taken to protect a child from harm.

child relief Allowance against income tax in respect of each child for whom the taxpayer was responsible.

It was introduced in 1910 under Finance (1909-1910) Act 1910 s68. This applied to children under 16, including stepchildren. It did not apply to illegitimate children unless the parents remarried, until the law on legitimacy changed in 1969.

Child relief was abolished in 1980 for British children and from 1982 for children overseas, when it was replaced by **child benefit**. Relief was given at one of three rates in age bands of 0-11, 11-16 and over 16.

children and young people's plan

Plan which a local authority may be required to produce under Children Act 2004 s17.

children's barred list	List kept by the Independent Barring Board of people not allowed to work with children (Safeguarding Vulnerable Groups Act 2006 s2(1)).
children's bonus bond	Another name for a baby bond .
children's books	<p>For VAT, these are zero-rated under Group 3 of the zero-rating schedule to the extent that they are text books.</p> <p>There are many special provisions for colouring books, pop-up books, and books which have the nature of toys.</p> <p>Zero-rating has been allowed for a book consisting largely of cut-out characters (<i>W F Graham (Northampton) Ltd [1979] VTD 908</i>) and for a book printed on card that could be taken apart and turned into a model house (<i>The Book People Ltd [2002] VTD 18240</i>).</p>
children's car seats	These may be reduced rated for VAT under Value Added Tax 1994 Sch 7A Group 5.
Children's Commissioner	Office created by Children Act 2004 s1, effective from 15 November 2004. The Commissioner's function is promote the interests of children.
children's painting books	Such books may be zero-rated for VAT under Value Added Tax Act 1994 and are not usually regarded as standard-rated stationery. Further details are given in VAT notice 701/10.
children's picture books	Such books may be zero-rated for VAT under Value Added Tax Act 1994 Sch 8 Group 3, even if printed on cloth or plastic. Further details are given in VAT notice 701/10.
children's programme	<p>"A programme is a children's programme if, when television production activities begin, it is reasonable to expect that the persons who will make up the programme's primary audience will be under the age of 15" (Corporation Tax Act 2009 s1216AC(2A) as inserted by Finance Act 2015 s30).</p> <p>Such programme making qualifies for a specific tax relief from 1 April 2015.</p>
children's ride	Such a machine is specifically excluded from the scope of amusement machine licence duty .
Children's Rights Director	Officer of the Chief Inspector of schools, appointed under Education and Inspections Act 2006 s120.
children's services authority	Local authority which has responsibility for children's services. It is usually a county council or unitary authority (Children Act 2004 s65(1)).
children's tax credit	Means-tested social security benefit that was introduced in April 2001 and was replaced by child tax credit in 2003, which is being replaced by universal credit between 2013 and 2019.
child's carer's assessment	An assessment a local authority may need to carry out under the provisions of Care Act 2014 s61.

child's needs assessment	An assessment that a local authority may need to carry out in relation to a child in care (Care Act 2014 s58).
child's special allowance	<p>Social security benefit payable under Social Security Contributions and Benefits Act 1992 s56.</p> <p>This benefit is not subject to income tax (Income Tax (Earnings And Pensions) Act 2003 s677).</p>
Child Support Agency (CSA)	Body that determined amounts of child maintenance. Its work passed to the Child Maintenance and Enforcement Commission in phases from 2008.
child support maintenance payment	<p>This may qualify for income tax relief under Income Tax Act 2007 s455.</p>
child support order (CSO)	Order made under child support law which creates a form of attachment of earnings order . This required the employer to deduct sums from net pay and pay them to the Child Support Agency.
Child Survivor Fund	Scheme established in 2015 by the German government to pay compensation of €2,500 to each survivor of the Holocaust. On 16 December 2015, it was announced that payments under this scheme are exempt from UK inheritance tax.
child's tax credit (CTC)	<p>Social security benefit for families on medium or low incomes to help pay for children. It is paid under the provisions of Tax Credits Act 2002 from s8.</p> <p>The main conditions for CTC are:</p> <ul style="list-style-type: none">• the claimant is at least 16 years old and present in the UK• the claimant is responsible for a child either under 16 or under 20 and in full-time education• the child lives with the claimant (with limited exceptions). <p>There are up to four elements in a payment of CTC:</p> <ul style="list-style-type: none">• family element• child element (per child)• disabled child element• severely disabled child element. <p>This benefit is not subject to income tax (Income Tax (Earnings And Pensions) Act 2003 s677).</p> <p>This benefit is to be abolished and replaced by universal credit under Welfare Reform Act 2012 s33(1)(f).</p>
child trust fund	<p>Government-sponsored savings scheme for children, introduced on 6 April 2005 and discontinued for new claimants in 2011.</p> <p>For every child born between 31 August 2002 and 2 January 2011, the government provides £250 for a trust fund. This is doubled to £500 for poorest families. A further payment is made on the child's seventh birthday. Parents and others may add up to a further £1,200 a year. The fund matures when the child is 18.</p> <p>The law was introduced by Child Trust Funds Act 2004 and repealed by Savings Accounts and Health in Pregnancy Grant Act 2010 s1.</p>

child trust fund business	In relation to taxation of life assurance business, “means so much of a company’s life assurance business as is referable to child trust fund policies (but not including the reinsurance of such business)” (Income and Corporation Taxes Act 1988 s431BA).
child trust fund functions	Functions of HMRC as set out in Finance Act 1989 s182(2ZB) in relation to disclosure of information.
Child Trust Fund Office	Part of HMRC that deals with child trust funds .
child trust fund policy	“A policy of life insurance which is an investment under a child trust fund (within the meaning of Child Trust Funds Act 2004)”.
child welfare hearing	In Scots law, “a hearing before a sheriff in the sheriff court in family proceedings in which issues of residence and contact are discussed. The parties to the action are expected to appear personally” (Judiciary of Scotland website glossary).
Chile	South American republic. Its currency is the Chilean peso of 100 centavos. The UK has a double taxation convention of 2003.
chiliad	The number 1,000; or 1,000 of anything.
Chiltern Hundreds	Area of Stoke, Desborough and Burnham in the Chilterns. In medieval times, a steward was appointed to suppress robbery in this area. Although this need passed centuries ago, the role of Steward of the Chiltern Hundreds has, since 1701, remained as a nominal paid office of the Crown. A member of Parliament cannot resign as such, but may achieve this end by seeking this appointment which is in the gift of the Chancellor of the Exchequer. Holding a paid office of the Crown (such as judge) excludes a person being an MP.
chimney-men	People employed to collect the hearth tax between 1662 and 1688.
chimney money	Tax of two shillings a year charged from 1663 to 1689, when it was replaced by the window tax .
China	Eastern republic, twice the size of Western Europe. Its currency is the renminbi or yuan of 10 jiao of 100 fen. The UK has a double taxation convention of 1984. Also remaining in effect is an air transport agreement of 1981.
China International Trust and Investment Corporation (CITIC)	Chinese government body which provides finance for venture capital projects in China. It works with foreign investors, and issues bonds.
Chinese correction	Term used for the worldwide stock market decline on 27 February 2007 when China released figures showing less than expected growth.

Chinese walls	<p>Term used to describe barriers within an organisation, such as a bank or financial body. The term is an allusion to the Great Wall of China.</p> <p>Information may not be passed across those barriers. This is necessary to avoid accusations of insider dealing.</p>
chip	<p>Computing</p> <p>In computing, a piece of plastic in which components are embedded. These perform functions in a computer. A chip may also be embedded in a card to provide information when read by a machine connected to a computer.</p> <p>Gambling</p> <p>Plastic disc acquired for cash and used as stakes in gambling in casinos. It is usually exchanged at a casino cage or sometimes at a gaming table or cashier station. For very large amounts a gaming plaque is sometimes used. A standard set of casino chips comprises 300 items in at least four colours. Collecting casino chips is known as exonumia.</p>
chip and pin	<p>System for authorising payment on a credit card or debit card, generally adopted on 14 February 2006.</p> <p>The cards contain a microchip containing basic information. Payment is authorised by the card holder entering a secret four-digit PIN number in a machine.</p>
chip and pin roll	<p>Credit card roll but using superior paper.</p>
chip butties	<p>Bread roll containing chips.</p> <p>For VAT, this is a single standard-rated supply of hot takeaway food. It is not a mixed supply where the cold bun may be zero-rated. <i>P A Marshall (t/a Harry Rams bottom's) [1995] VTD13766</i>.</p>
chip card	<p>Type of credit card, debit card or similar which incorporates a micro-chip to store data, such as PIN number and transactions.</p>
CHIPS	<p>Clearing House Inter-bank Payments System.</p>
chisel	<p>Old slang meaning to cheat.</p>
chi-squared distribution	<p>In statistics, the distribution with n degrees of freedom of $\chi^2 = X_1^2 + X_2^2 + \dots + X_n^2$ where $X_1, X_2 \dots X_n$ are independent normal random variables with a mean of 0 and variance of 1 and χ is chi. This distribution is used in the chi-squared test and other statistical tests.</p>
chi-squared test	<p>A statistical test which establishes confidence level that the variance in a sample is representative of the parent population.</p>
chit	<p>Bill, letter or similar document, particularly in an abbreviated form to meet the minimum standards of an accounting voucher.</p>

chit fund	Asian term for a group of people who contribute funds to lend to each other. It is similar to the UK credit union .
chocolate	<p>Confection, usually brown, made from roasted cacao seeds and usually sweetened. It can be eaten as a solid or made into a hot drink.</p> <p>For VAT, this is regarded as confectionery and is therefore standard-rated because confectionery is explicitly excluded from the scope of zero-rated food. However chocolate couverture, chips, leaves, scrolls and similar supplied as cake decorations may be zero-rated (VAT notice 701/14). Chocolate buttons are always standard-rated.</p> <p>Biscuits wholly or partly covered with chocolate are standard-rated as they are excluded from the zero-rating of food by Value Added Tax 1994 Sch 8 Group 1 Excepted Item 2. For this purpose, chocolate includes a "product similar in taste and appearance".</p>
chocolate biscuit	For VAT, this is generally standard-rated as confectionery rather than zero-rated as food (VAT notice 701/14).
chocolate buttons	These are always standard-rated for VAT as confectionery even when held out for sale as a cake decoration (VAT notice 701/14).
Chocolate Dundee	A circular biscuit that is baked, partly covered with chocolate and individually wrapped. The VAT tribunal held that they were standard-rated as chocolate biscuits in <i>Adams Foods Ltd [1983] VTD 1514</i> .
chocolate marzipan walnut	<p>A product comprising a meringue base on which was marzipan, walnuts, buttercream and a chocolate coating.</p> <p>The VAT tribunal held that this was food and not confectionery, and was therefore zero-rated (<i>Goodfellow & Steven Ltd. [1987] VTD 2453</i>).</p>
choice-based letting	<p>Scheme where those in need of social housing may bid for properties that become available.</p> <p>Each local authority decided whether to operate this system.</p> <p>The charity Shelter provides advice on using this scheme.</p>
choice of law clause	Where one of the parties to a contract may choose the territory whose laws govern the contract. The term is used in Unfair Contract Terms Act 1977 s27.
choice spirit	Specially selected or excellent leader. The term comes from the play <i>Julius Caesar</i> by Shakespeare.
choice uncirculated	Grade of collected coin.
choke-damp	Carbon monoxide, as found in a mine.
chon	Currency of North Korea.
choose option	Option where the holder may, up to a predetermined date, decide whether to treat it as a call option or put option .

chop	Mark made on a document to indicate that a process has been completed, such as payment has been made.
chop shop	Colloquial term for a place where written off cars are repaired, sometimes with stolen parts, to be sold as new vehicles.
chose	As a noun, the word means a chattel under the control of the owner.
chose in possession	Legal term for a physical object which can be owned, such as a piece of furniture.
chose jugée	French: settled matter.
chouse	Old Turkish term which means to cheat or swindle.
Christian	<p>Follower of the Christian religion, the world's most widespread religion. Its fundamental belief is the need to accept Christ as a personal Saviour. The word is first used in Acts of the Apostles 21:26 in the Bible.</p> <p>Principles of Christianity provide much of the basis of English law and custom. The years are numbered (inaccurately) from Christ's birth.</p> <p>Several public holidays and quarter days are based on days that commemorate a Christian event.</p>
Christian name	A person's first name, particularly if given at baptism. For official purposes, the term forename or first name is now more commonly used.
CHP	Combined heat and power.
CHPQA	<p>Combined Heat and Power Quality Assurance Standard, Issue 5 dated November 2013.</p> <p>In relation to climate change levy, it is mentioned in SI 2015 No 947.</p>
Christian Aid	Church-based charity formed in 1941 to provide sustainable development, poverty relief and similar objectives. It campaigns on tax justice.
Christian Aid Week	Annual door-to-door fundraising organised in May each year by Christian Aid . It was first organised in 1957.
Christmas	<p>Public holiday and bank holiday.</p> <p>In the church it commemorates the birth of Jesus Christ, though the exact date of his birth is not known. The date was adopted by the church in 440 AD by taking over the secular festival of the winter solstice.</p> <p>A large shop may not open on Christmas Day. (Christmas Day (Trading) Act 2004 s1(1)).</p> <p>In England and Wales, it is a quarter day when rent is often paid.</p> <p>There are some special tax provisions, regarding the taxation of Christmas bonus, Christmas gift and Christmas party.</p>
Christmas bonus	<p><i>Employment</i></p> <p>An additional payment sometimes made to employees by the employer at</p>

Christmas time.

A payment in cash is taxed as employment income. A voucher that can be readily exchanged was held to be employment earnings in *Ladler v Perry [1965]*. The position on **Christmas presents** is explained in the inspectors' manual at EIM01040.

Social security

Additional £10 paid to certain **social security** claimants at Christmas time. This figure has remained unchanged since it was introduced in 1971, except that in January and February 2009, a one-off bonus of £60 was also paid to claimants to reflect the cold winter.

Christmas box	Gift of money given traditionally given to servants at Christmas. It is taxable as a Christmas bonus .
Christmas Day	Public holiday on 25 December. If it falls on a Sunday, the public holiday is moved to 26th, and Boxing Day to 27th. It is a religious festival marking the birth of Christ, though based on earlier festivals.
Christmas Eve	Day before Christmas, namely 24 December. This is not a public holiday, and is a normal working day (at least in theory).
Christmas party	When provided by an employer, there is no taxable benefit provided that the value provided per person attending does not exceeds £150 (Income Tax (Earnings And Pensions) Act 2003 s264). This figure is cumulative throughout the tax year when more than one such function is organised. The limit is per attendee, not per employee. It includes all costs borne by the employer, including overheads. It includes VAT even if the employer may reclaim it as input tax. This limit may not be used to provide Christmas presents.
Christmas present	Present given on Christmas Day. Where the present is cash, it is generally treated as a Christmas bonus and taxed as employment income under Income Tax (Earnings And Pensions) Act 2003 s62. Where the present is in the form of a gift, it may be taxable as a benefit in kind, depending on the circumstances. If it arises from the employment, it can be so taxed even if provided other than by the employer (though there is annual tax-free limit for third party gifts). The fact that a gift comes from an employer does not automatically make it a taxable benefit in kind if it is clear that the gift does not derive from the employment. For example, a son who is employed by his father is not taxed on a Christmas present from him if the gift has the nature of a normal gift from a father. Guidance is provided in the inspectors' manual at EIM01040.
chronically sick and disabled	A condition of a recipient that allows for certain supplies to be zero-rated for VAT.

For this purpose, "a person is chronically sick or disabled if he/she is a person:

- with a physical or mental impairment which has a long-term and substantial adverse effect upon his/her ability to carry out everyday activities;
- with a condition which the medical profession treats as a chronic sickness, such as diabetes; or
- who is terminally ill.

"It does not include a frail elderly person who is otherwise abled-bodied or any person who is only temporarily disabled or incapacitated, such as with a broken limb"

(VAT notice 701/7).

chronic sickness

Means "a condition regarded as such by the medical profession" (VAT notice 701/6).

This may be relevant in determining whether **charity funded equipment** may be zero-rated.

chronological age

Actual age which has not been adjusted in any way.

chronological order

When documents or notes are presented in order of date, usually starting from the earliest.

Chubb

Company that makes safes and locks, founded in 1835 by the English inventors Charles Chubb (1779-1845) and his brother Jeremiah Chubb (1790-1847).

chuck-a-luck

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

chugger

Person who is paid to raise funds for charity. The term is a contraction of "charity mugger".

church

The duty to provide for the care and repair of church buildings in the Church of England is set out in Canon F13.

The duty to keep a record of its property is set out in Canon F17.

There is no general relief from VAT for such expenditure, though it may be possible to claim under the **Listed Places of Worship** scheme.

Church Commissioners

"Means the Commissioners constituted by the Church Commissioners Measure 1947 (Interpretation Act 1978 Sch 1).

Churchill, Randolph

English Conservative politician (1849-1895), father of Winston, who was Chancellor of the Exchequer from 3 August 1886 to 22 December 1886.

Churchill, Winston

English politician (1874-1965) who was Chancellor of the Exchequer from 6 November 1924 to 4 June 1929 where he returned Britain to the gold standard.

He was prime minister from 10 May 1940 to 26 July 1945, and from 26 October 1951 to 7 April 1955. He is the only Chancellor or prime minister to

be depicted on a British coin or a bank note. (He has been depicted on both.)

Churchill crown Five shilling (25p) coin minted in 1965 to commemorate the life and death of former prime minister Sir Winston Churchill.

Church of England Established church in England to which every citizen is automatically a member unless they elect otherwise. The Church retains law-making powers and its own courts.

church-rate Assessment which Anglican churches could make on parishioners.

church scot Form of tax comprising amounts of corn and poultry given to parish priests in Saxon times on St Martin's Day, 11 November.

church tax Tax imposed in some countries by some church denominations on its members, sometimes under a law. In countries where such a tax is levied, it is usually deductible from income subject to state taxation.

church taxes Taxes imposed on the church in 13th and 14th centuries by both the king and the Vatican. These were levied in various ways, with the clergy allowed to assess themselves. In 1294 Edward I demanded very heavy taxes including half their revenues as "convocation tax". The Pope unsuccessfully maintained that church tax needed his permission.

churchwarden Officer of the parish. Although this is not restricted largely to church duties, the churchwarden was once a local authority official. Some aspects of this remain. For example, all residents of a parish may vote in the elections for churchwarden whereas only members on the church's electoral roll may vote for other church officers, such as treasurer.

churning Practice which can occur at stockbrokers and insurers whereby they repeatedly trade for the main purpose of earning commission.

The term is also used when the same funds are recycled for no reason but to create an allusion of financial activities, such as moving sums between two bank accounts to create an allusion of trading activity.

Chwefror Welsh: February.

CI (1) Channel Islands.
(2) Cayman Islands.

CI\$ Cayman Islands dollar.

ciabatta A VAT tribunal held that the heating of such a meal was to provide tasty zero-rated food and not standard-rated hot takeaway food. *Ainsleys of Leeds Ltd [2005] VTD 19694.*

CI Arb Chartered Institute of Arbitrators.

CIAT	Chartered Institute of Architectural Technologists.
CIB	Chartered Institute of Bankers.
CIBSE	Chartered Institute of Buildings Services Engineers.
CIC	Community interest company.
CICA	Canadian Institute of Chartered Accountants.
CICA	Criminal Injuries Compensation Authority.
CICAP	Criminal Injuries Compensation Authority Panel.
CICM	Chartered Institute of Credit Management.
CIDER	Prefix for HMRC's tax manual on cider duty.
cider	<p>Drink made from the fermentation of apple juice.</p> <p>It is subject to a specific rate of excise duty for alcoholic liquor. This rate also applies to perry, which is fermented pear juice. No duty is payable for cider with a strength below 1.2%.</p> <p>From 1 January 1997, cider or perry with a strength above 5.5% is taxed as wine.</p> <p>In law, the word "means... cider (or perry) of a strength exceeding 1.2% but less than 8.5% obtained from the fermentation of apple or pear juice without the addition at any time of any alcoholic liquor or substance which communicates colour or flavour other than such as the Commissioners may allow as appearing to them to be necessary to make cider (or perry)" (Alcoholic Liquor Duties Act 1979 s1(6)).</p>
CIE	Customs Inputting the Declaration.
CIEEM	Chartered Institute of Ecology and Environmental Management.
CIEH	Chartered Institute of Environmental Health.
CIF	<p>Carriage, insurance and freight. This is a form of contract for sending goods overseas. It means that the price quoted or charged includes carriage, insurance and freight.</p> <p>A CIF contract imposes five duties on the seller:</p> <ul style="list-style-type: none">• to ship to the port of shipment within the time stated;• to procure on shipment a contract of affreightment which ensures that the goods are delivered to the required destination;• to insure the goods on terms current in the trade to the benefit of the buyer;• to provide an invoice for the goods; and• to tender to the buyer a bill of lading, the invoice and the insurance policy. <p>The CIF price is usually used as the import value for determining</p>

	Customs duty.
CIFA	Chartered Institute for Archaeologists.
CIG	Criminal Investigation Group , department of HMRC.
cigar	Product made from rolling tobacco leaves, intended to be smoked. It is subject to tobacco products duty and VAT.
cigarette	Product made from rolling shredded tobacco into a paper sleeve, with the intention of being smoked. It is subject to tobacco products duty and VAT.
CIH	Chartered Institute of Housing.
CII	Chartered Insurance Institute .
CIL	Community infrastructure levy .
CILA	Chartered Institute of Loss Adjusters.
CILEX	Chartered Institute of Legal Executives.
CILIP	Chartered Institute of Library and Information Professionals.
CILOCT	Contribution in lieu of council tax (in armed forces).
CILT	Chartered Institute of Logistics and Transport.
CIM	Chartered Institute of Marketing.
CIMA	Chartered Institute of Management Accountants
CIM/TIEx	Convention International Marchandises Chemins de Fer , an international rail carriage receipt.
cinch	Colloquialism for a very easy task.
Cinderella	Poor relation, when referring to either a person or organisation. The name comes from the traditional story of a daughter who is ill-treated by her two step-sisters but marries a prince.
Cinderella test	Provision that, for the purposes of obtaining main residence relief from capital gains tax under the 90-day rule , a person was at a home at midnight. The term comes from the Cinderella story in that it discriminates against a person who was out for the evening and returned after midnight.
cinema	An example of trade related property . For VAT, a cinema does not qualify as a cultural service within the scope of Value Added Tax 1994 Sch 9 Group 13 Item 2(b) as it did not involve live

performances. (*Chichester Cinema at New Park Ltd [2004] VTD 19344*).

Cinque Ports	Originally the five ports of Hastings, Sandwich, Dover, Romney and Hythe, all of which are in Sussex or Kent. From the 12th century until 1685, they enjoyed special privileges. The concept remains for ceremonial purposes.
CIO	Charitable incorporated organisation (Charities Act 2011 s204).
CIOB	Chartered Institute of Building.
CIOBS	Chartered Institute of Bankers in Scotland.
CIOL	Chartered Institute of Linguists.
CIOT	Chartered Institute of Taxation.
CIP	(1) Contentious Issues Panel. (2) Customs Information Paper.
CIPA	Chartered Institute of Payment Attorneys.
CIPD	Chartered Institute of Personnel and Development
CIPFA	Chartered Institute of Public Finance and Accountancy.
CIPP	Chartered Institute of Payroll Professionals.
CIPR	Chartered Institute of Public Relations.
CIPR21	Customs Information Processing Requirements in the 21st Century.
CIPS	Chartered Institute of Procurement and Supply.
CIR	Commissioners of Inland Revenue. Since 2005 they have been Commissioners of HM Revenue and Customs, but CIR still appears in citations of pre-2005 cases.
circle of mutuality	Scope of tax-free mutual trading. Term used in the Inspectors' Manual at BIM24480 to define with whom such trading is mutual.
circuit	(1) In law, an area for which a judge exercises jurisdiction. (2) In computing, a series of components through which an electrical current flows to perform a task.
circuit administrator	Civil servant who organises circuits for judges.
circuit breaker	In financial markets, a measure put in place by exchanges to prevent movements of very large quantities of a security or currency, to restrict financial speculation. These provisions were introduced after Black Monday in

1987.

Circuit Court	In Scots law, "the court held by the judges of the High Court of Justiciary when they sit outside Edinburgh" (Judiciary of Scotland website glossary).
circuit judge	Judge appointed under Courts Act 1971 for a circuit .
circuit system	System of dividing England and Wales into six circuits for judges.
circular	In investment, an analyst's report that gives recommendations on what shares to buy.
circular flow of income	Model showing the flows of money around the economy. The economy is conventionally split into firms and households and the circular flow shows the movement of money between these groups. From households to firms there is a flow of consumption expenditure which results in a flow from firms to households of income. This income may be in the form of wages, interest or profit.
circular funding	Where money passes from one party to another, ending up where it started. This is one of the hallmarks of a tax planning scheme of which taxpayers are advised to be wary.
circular letter of credit	Letter of credit sent to all branches of a bank which issued it.
circular letter of credit	Precursor of travellers' cheques . It is an instruction from a bank to its associates to pay certain amounts to a customer who proves satisfactory identification.
circular note	Letter of bank-credit once given to travellers. The recipient could redeem it for cash at the bank.
circular transaction	An artificial transaction, such as in a group of companies, to create an allusion of greater trading activity. In financial accounting, this serves no purpose, as all intra-group activities are removed when preparing consolidated accounts .
circularise	Send a copy of the same document to many people.
circulating asset	Term sometimes used for a current asset .
circulating capital	Capital in the form of cash, debtors, raw material and stock. The business needs this capital to run its business. The tax implication is discussed in the Inspectors' Manual at BIM33015. The tax implications of converting securities to circulating capital are given in Corporation Tax Act 2009 s129.
circulation	The distribution of newspapers, magazines, and other print publications. The term is also used for the size of circulation, particularly with regards to advertising rates.

circulation date	Date on which something is sent or submitted to someone. In company law, the term is used in Companies Act 2006 s290 for written resolutions .
circumstantial evidence	Circumstances that point to a conclusion where direct evidence is not available.
circumventing prohibition	Activity intended to circumvent the provisions of Terrorist Asset-Freezing etc Act 2010. The term is used in s18.
circus	A circus performance is specifically brought within the scope of a dramatic piece for the purposes of theatrical productions tax relief in Corporation Tax Act 2009 s1217FA(3).
CIRD	Prefix for HMRC's tax manual on corporate intangibles research and development.
CIS	(1) Collective investment scheme. (2) Construction industry scheme .
CIS-based company	For connected parties relationship , the term "means a company which would not be a close company apart from the rights and powers of one or more partners in a CIS limited partnership being attributed to another of the partners under section 451(4) to (6) of [Corporation Tax Act 2010] because of section 448(1)(a) of that Act" (Corporation Tax Act 2009 s376(5)). [CIS means collective investment scheme.]
CISI	Chartered Institute for Securities and Investment.
CIS-limited partnership	For connected parties relationship , the terms "means a limited partnership — (a) which is a collective investment scheme, or (b) which would be a collective investment scheme if it were not a body corporate" (Corporation Tax Act 2009 s376(5)).
CIS return	In relation to tax penalties, "means a return for the purposes of regulations under section 70(1)(a) of FA [Finance Act] 2004 in connection with deductions on account of tax under the Construction Industry Scheme" (Finance Act 2007 Sch 24 para 13(1ZD)).
citation	Quotation of decided court cases as authority in legal proceedings. From 2001, neutral citations are generally used. These were introduced in 2001 for House of Lords (now Supreme Court), Privy Council, Court of Appeal and Administrative Court. From 2002, they were extended to the High Court. These decisions are available free on the bailii website. The citations take the form: <ul style="list-style-type: none">• UKHL for House of Lords• EWCA for Court of Appeal, in England and Wales• EWHC for High Court, in England and Wales.

This is followed by a number and year, so *Rotman v MPC [2002] UKHL 20* means the 20th decision of the House of Lords in 2002. The EWHC citations also indicate the division of High Court.

Otherwise, the citation must refer to a published **law report** of the case. As leading cases are often published in several different reports, a case may have a long citation quoting them all.

For example, the leading tax case of **Pepper v Hart** has the full citation *Pepper v Hart HL 1992. 65 TC 421; [1992] STC 898; [1992] 3 WLR 1032; [1993] 1 All ER 42.*

The full citation quotes five different law reports where the case may be read:

- *HL 1992* means in the **Law Reports** of House of Lords for 1992;
- *65 TC 421* means in Volume 65 of **Tax Cases** published by **HMSO**, starting at page 421;
- *[1992] STC 898* means in the 1992 volume of **Simon's Tax Cases** starting at page 898;
- *[1992] 3 WLR 1032* means in volume 3 of the 1992 cases published by **Weekly Law Reports** starting at page 1032;
- *[1993] 1 All ER 42* means in volume 1 of the 1993 cases published by **All England Law Reports**, starting at page 42.

It should be noted that the year refers to when the case is reported, not when it is heard.

In addition to these, **The Times** newspaper also published authoritative law reports. These are indicated as *The Times. 1 January 2010*. There are also other series of law reports.

The two main series dedicated solely to tax cases are Simon's Tax Cases, and Tax Cases.

Special Commissioner's decisions are published under the reference **SPC** followed by five digits. From April 2003, these are published free on the First Tier Tribunal website.

From April 2009, all First Tier Tribunals for all taxes are published with the reference **TC** followed by five digits. These are published free on the First Tier Tribunal website.

cite	In Scots law, "(1) to summon to court a party, witness or juror. (2) To refer in argument to some authority such as a statute or decided case" (Judiciary of Scotland website glossary).
CITES	Convention on International Trade in Endangered Species.
Citibank	Large international bank, originally founded in 1812.
CITIC	China International Trust and Investment Corporation.
Citizens Advice Bureau (CAB)	Charitable organisation which provides free advice on legal and administrative problems. The Bureaux were set up on the recommendations of the Betterton Report of 1924. The first 200 bureaux were set up in 1939 just after the start of the second world war. The number exceeded more than 1,000 by 1942.

Many closed after the war.

In 1972, CAB became independent of government, though it receives some funding from government. CAB currently operates from more than 3,000 locations in UK, providing free help and advice, mostly staffed by volunteers.

Citizens Against Poll Tax	Informal protest group formed in 1987 who campaigned against the community charge .
citizenship	Status between an individual and a state. It is usually irrelevant for tax except for US citizens who are liable to US tax whatever their residence.
CITM	Prefix for HMRC's tax manual on community investment tax relief.
CITOPS	Customs and International Trade Operations.
CITR	Community investment tax relief.
Citrix	Name used for VAT webinar sessions run by HMRC.
City	Area of London which is widely seen as the financial centre, a position it has held from medieval times. It is also known as The City . It is an area of about one square mile between Waterloo Bridge and Tower Bridge.
city bank	(1) In Japan, one of 13 banks which operate a national network. (2) In USA, a bank in a city which operates for the Federal Reserve Bank.
City Code on Takeovers and Mergers	Code imposed by the London Stock Exchange on companies which wish to take over another company. Under the rules, a company must make a takeover offer if it acquires at least 30% of the shares, either on its own or in concert with others. A timetable must be set with an acceptance level of at least 50% when the bid becomes unconditional.
city company	London corporation representing a medieval trade gild.
City Deal	Agreement between central government and a city whereby the latter has greater control on local decision-making and how funds should be spent. This follows a government policy launched on 8 December 2011 and enacted in Localism Act 2012.
city editor	Financial editor on a newspaper.
City Group for Smaller Companies (CISCO)	Pressure group formed in December 1992 to deal with the financial needs of smaller companies.
city man	Man who works in a city; business man.

- city manager** Person appointed by a city council to administer its affairs.
- City of London** Part of London which is administered by the City of London Corporation which retains many traditions long abolished elsewhere.
- city planning tax** Tax imposed in Japan on land and buildings within an urban promotion area. A similar tax is imposed in South Korea.
- CIU** Collective investment undertaking.
- civic** For VAT and such bodies, description of "objects which promote rights and duties of citizens in matters of public interest and public affairs, and whose objects do not solely or mainly benefit its members" (VAT leaflet 701/5).
- civic culture** Observable phenomenon that political culture depends on the environment in which it is based. The term is particularly based on a study conducted on five countries in the early 1960s.
- civil** Legal term which distinguishes the subject matter from ecclesiastical, criminal or military.
- civil action** Legal action brought by one person against another, such as for an unpaid debt.
- Civil Aviation Authority (CAA)** Public corporation established by Parliament in 1972 as an independent specialist aviation regulator and provider of air traffic services.
- civil court** Court that deals with **civil actions** rather than criminal ones.
- civil damages** Penalty for a minor breach of the law, imposed outside the criminal law system. Most tax penalties and motoring penalties are civil damages.
Such payments may be tax-deductible are discussed in the Inspectors' Manual at BIM38540.
- civil debt** Sum of money that can be recovered summarily.
- civil engineer** 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% |
| 1 January 2004 | 13% |
- civilian clothing** Term used in the Inspectors' Manual at BIM37910 as an alternative to **everyday wardrobe**. Such items are not tax-deductible.

civil investigation of fraud	Scheme used by tax authorities allowing a person one final opportunity to confess tax irregularities before criminal proceedings are started.
civiliter mortuus	Latin: civilly dead.
civil law	<p>(1) Tradition of a code of law, such as that which developed in Europe in parallel to British common law. It can also be found in Louisiana in the USA, and Quebec in Canada.</p> <p>In civil law, the courts do not create or develop the law but simply apply it.</p> <p>(2) All that law which is not criminal law. It thus includes such areas as contracts, torts, property and taxation.</p>
Civil List	<p>Annual grant by Parliament for the maintenance of the Queen and her household. It started in 1760 when George III gave up his rights to hereditary revenues in exchange for the list. The present law is Civil List Act 1972 and unrepealed parts of Civil List Act 1937.</p> <p>It is replaced by Sovereign Grant from 2013.</p>
civil partnership	<p>Relationship between two people of the same sex who are not closely related. The relationship must be registered. It has many rights and duties in common with marriage. It is governed by Civil Partnership Act 2004.</p> <p>A civil partnership is void if the requirements for registration have not been followed (ibid s173).</p> <p>A civil partnership is voidable if either did not validly consent, a partner suffered from certain mental disorders, a partner was pregnant or the person was at the time not of the same sex (ibid s174).</p>
civil partnership	<p>Legal arrangement similar to marriage but between two adults of the same sex. It is generally regarded as a marital status.</p> <p>Civil partnerships have been legal in the UK since 5 December 2005 under Civil Partnership Act 2004. The law has been extensively rewritten so that civil partners have the same rights, duties and other legal implications as marriage partners. There is a process similar to divorce for ending a civil partnership.</p> <p>Whatever tax or other financial provisions apply to a married couple generally also apply to a civil partnership. Civil partners have similar rights to claim benefits as marriage partners.</p> <p>The few differences between a civil partnership and marriage is that the former cannot be conducted in a church and there is no duty to consummate a civil partnership.</p>
civil partnership agreement	Agreement between two people to enter into a civil partnership in the UK or a foreign equivalent (Civil Partnership Act 2004 s73). It is similar to an engagement between two people contemplating marriage. A civil partnership agreement is unenforceable.
civil partnership document	Document which must be delivered to a registrar by two people who wish to enter into a civil partnership (Civil Partnership Act 2004 s7).

civil partnership registrar	Person who is authorised to register a civil partnership (Civil Partnership Act 2004 s29).
civil proceedings	Legal action brought in the civil courts , such as between litigants. The right of HMRC to bring such proceedings is given in Commissioners for Revenue and Customs Act 2005 s25.
civil remedy	Remedy from civil proceedings , without using the criminal courts.
civil rights	Rights of citizens to enjoy personal freedom.
Civil Rights Act	American law of 1964, amended in 1981, to establish civil rights and outlaw racial discrimination.
civil servant	UK civil servants are liable to UK income tax and national insurance wherever they work.
Civil Service	Public administration of a country regardless of its political leadership. It excludes military leadership. The two functions of the civil servant are to implement the policies of the political leadership, and to give advice to that leadership. A civil servant acts as if he or she had no political views of his or her own.
Civil Service code	Code of conduct produced for the Civil Service by the Civil Service Commission (Constitutional Reform and Governance Act 2010 s5).
Civil Service Commission	Body that deals with appointments to the Civil Service , established by Constitutional Reform and Governance Act 2010 s2.
Civil Service values	Document produced in March 2015 under the Constitutional Reform and Governance Act 2010, codifying existing standards for the Civil Service. The four main values are integrity, honesty, objectivity and impartiality .
civil union	Term used in some US states to mean a civil partnership .
civil wrong	Infringement of a person's rights, such as for negligence or breach of contract.
CIWM	Chartered Institute of Waste Management.
CJ	Chief Justice.
CJA	Criminal Justice Act.
CJIA	Criminal Justice and Immigration Act.
clades	Organisms that derive from a single ancestor. Between 2003 and 2012, vaccine research relief could be claimed for vaccines and medicines to treat HIV infection, for which the presence of

clades needed to be considered.

claim	<p>(1) Any statement made by a person that they are entitled to receive a payment.</p> <p>This can take many forms, including notification to an insurance company that payment is due under the terms of a policy, a request to receive social security or a bill for damages which the person believes someone else should pay.</p> <p>(2) The right of a person to use newly available land for a particular purpose, particularly mining.</p>
claim about defects	<p>Payment made to meet the legal expenses or other professional services in connection with work done by a trade which is found to be defective, particularly when that work was done after the trade ceased. There are special provisions regarding tax relief for such expenses (Income Tax Act 2007 s97(3)).</p>
claimant	<p>(1) Person who brings civil proceedings, previously known as the plaintiff.</p> <p>(2) Someone who makes a claim, such as on an insurance policy.</p> <p>(3) For Customs, "in relation to proceedings for the condemnation of any thing as being forfeited, means a person claiming that the thing is not liable to forfeiture" (Customs and Excise Management Act 1979 s1(1)).</p> <p>(4) For social security, "in relation to benefit... means a person who has claimed benefit" (Social Security Contributions and Benefits Act 1992 s122(1)). Another definition is used for those who claim relief from national insurance (Social Security Administration Act 1992 s191).</p>
claimant commitment	<p>For universal credit, "is a record of the claimant's responsibilities in relation to an award of universal credit" (Welfare Reform Act 2012 s14(1)).</p> <p>Similar provisions now apply to jobseeker's allowance under Jobseekers Act 1995 s9 (as amended by Welfare Reform Act 2012 s44(3) and under s6A as inserted by Welfare Reform Act 2012 s49).</p> <p>These provisions take effect from 1 May 2012.</p>
claimant company	<p>Company in a group which claims group relief from another company in the group (Income and Corporation Taxes Act 1988 s402(1)). The other company is known as the surrendering company. The law is now contained in Corporation Tax Act 2010 Part 5.</p>
claimant count	<p>"The number of people claiming unemployment-related benefits. Since October 1996 this has been defined in the UK as the number of people claiming Jobseeker's Allowance." (HM Treasury glossary)</p>
claimant's total tax	<p>In relation to jobseeker's allowance, this is given a specific meaning in PAYE regulations SI 2003 No 2682 reg 161(5).</p> <p>In relation to employment and support allowance, this is given a specific meaning in PAYE regulations SI 2003 No 2682 reg 184N(5).</p>
claimer	<p>Another name for claimant.</p>

claim form	Document provided to allow a person to complete details of a claim .
claim period	For group relief , accounting period of the claimant company as explained in Corporation Tax Act 2010 s142.
claims assessor	Person who assesses insurance claims.
claims department	The section of an insurance company which deals with claims from customers.
claims equalisation reserve	Item sometimes found on the balance sheet of insurance companies. This is simply a reserve which may be used as the company wishes, usually to offset the adverse effect of a year where claims are high.
claims experience	The relationship of insurance claims to premiums for a period. It is usually expressed as a percentage or ratio.
claims management services	For Scotland, there are legal provisions in Civil Litigation (Expenses and Group Proceedings) (Scotland) Act 2018 s1(2).

Claims Management Services Tribunal

Tribunal established under Compensation Act 2006 s12.

claims manager	Manager of a claims department .
claims ratio	Ratio used by insurance companies. It represents the value of claims paid divided by premium income received.
claims reserve	Amounts set aside by an insurer to meet costs of claims incurred but not yet settled.
clampdown	<p>Deliberate enforcement of rules, particularly of existing rules which have been largely ignored.</p> <p>In employment law, a clampdown should be preceded with an appropriate announcement and possibly lesser penalties for offences committed when the clampdown was announced. Otherwise the employer could be exposed to claims for unfair dismissal.</p>
clam up	<p>Suddenly become silent or unco-operative. In an interview, this could indicate a failure of interviewing technique.</p> <p>The term comes from the shellfish clam where the soft creature lives in a shell which is usually tightly closed.</p>
clan	Tightly knit family or collection of families, particularly in Scotland.
clandestine entrant	<p>A person who enters a country by hiding in a vehicle, in other words, a stowaway.</p> <p>The term is used in Immigration and Asylum Act 1996 s32 as amended by the Immigration and Asylum Act 1999. This provision imposes a penalty on the driver of the vehicle unless he can prove that he:</p> <ul style="list-style-type: none">• did not know he had stowaways;

- had an effective system for checking for them; and
- had followed that system.

Clarke, Kenneth	<p>Conservative politician (1940-) who was Chancellor of the Exchequer from 27 May 1993 to 2 May 1997 in the government of John Major. He reduced income tax but was forced to introduce a national insurance surcharge when a Budget vote was unusually lost in Parliament.</p> <p>He was Shadow Chancellor from 2 May 1997 to 11 June 1997.</p>
clash mark	<p>For coins, a defect from a faulty die. If the dies are pressed together with no flange between them, each die makes an impression on the other. Clash marks are the defects visible on coins subsequently struck.</p>
class	<p>(1) Social status, as in upper class, ruling class, middle class, working class.</p> <p>(2) Category of investment, of which the two main types are stocks and bonds.</p> <p>(3) Category of national insurance.</p>
class 1 national insurance	<p>National insurance payable on cash earnings from employment. Benefits in kind are generally not subject to class 1 national insurance, but may be subject to class 1A national insurance or class 1B national insurance.</p> <p>Class 1 national insurance is paid by employees at the main primary percentage on earnings which lie between the earnings threshold and upper earnings limit. The employee then pays class 1 national insurance at the additional primary percentage on all earnings above the upper earnings limit.</p> <p>The employer pays employers' national insurance at the main secondary percentage on earnings which lie between the earnings threshold and upper earnings limit, and at the additional secondary percentage on all earnings above the upper earnings limit.</p> <p>Employer's national insurance is wholly or partly relieved for apprentices under the age of 25 (from 6 April 2016), other employees under the age of 21 (from 6 April 2015) and for the first £2,000 (known as the employment allowance) for other employees each year (from 6 April 2014).</p> <p>The law on liability is contained in Social Security Contributions and Benefits Act 1992 s6. The employee's rate is set out in s8, and the employer's in s9.</p>
class 1A national insurance	<p>A payroll tax payable by employers on benefits in kind.</p> <p>It was introduced in 1991 as a tax just on car benefit and fuel benefit. The law is contained in Social Security Contributions and Benefits Act 1992 s10.</p>
class 1B national insurance	<p>A payroll tax payable by employers on PAYE settlement agreements.</p> <p>It was introduced in 1999. The law is Social Security Contributions and Benefits Act 1992 s10A.</p>
class 2 national insurance	<p>National insurance paid by the self-employed, who also pay class 4. From 6 April 2015, it is collected under self-assessment with income tax and class 4 national insurance.</p> <p>The law is contained in Social Security Contributions and Benefits Act</p>

1992 s11.

Class 2 national insurance is abolished from 6 April 2019 (postponed from 2018), when entitlement to benefits for self-employed will pass to class 4.

class 3 national insurance

Voluntary payments of national insurance to allow a person to maintain a complete national insurance record.

The law is Social Security Contributions and Benefits Act 1992 s13.

class 3A national insurance

A temporary and voluntary payment of national insurance to allow people who reach **state retirement age** before 6 April 2016 to make a single payment to increase their **state retirement pension**. These pensioners do not benefit from the single tier pension introduced in 2016.

The payment may be made between 6 October 2015 and 5 April 2017, providing an 18-month window.

A man or woman of 65 may buy £1 a week extra pension for a lump sum of £890. Older pensioners pay less. This extra pension is indexed as part of the state retirement pension.

The maximum pension that may be bought this way is £25 a week. These rates are about half those commercially available from pension providers.

class 4 national insurance

National insurance payable by the self-employed (as well as class 2) but which does not count as a contribution. It is calculated at:

- the main class 4 percentage on earnings between two levels, plus
- the additional class 4 percentage on earnings above the higher

level.

The law is contained in Social Security Contributions and Benefits Act 1992 s15.

Class 4 is collected with income tax. It was introduced as a pure tax as it does not entitle the payer to any benefits. From 6 April 2019 (postponed from 2018), it becomes the basis by which the self-employed earn entitlement to state pension and some other benefits, on the abolition of class 2 national insurance.

class action

Legal action brought by a group of people with a common claim, such as victims of a dangerous product.

class-closing

Description of a provision introduced by Perpetuities and Accumulations Act 1964.

The provision allows a personal representative to close a class of beneficiary, allowing distributions to be made from an estate. For example, a clause in a will leaving property to all grandchildren who may ever be born creates a class of beneficiary that may be closed when the last daughter or daughter-in-law is considered to be past child-bearing age. A class closure is effective even if a further grandchild is subsequently born.

class gift

Gift, particularly a legacy in a will, where the beneficiaries are defined rather than named, such as "to my grandchildren".

class of assets	For accounting standards, “a grouping of assets of a similar nature and use in an entity’s operations” (FRS 102 glossary).
class of options	All listed options of a particular type or style, such as all call options or all European options.
classes of shares	“Shares are of one class if the rights attached to them are in all respects uniform” (Companies Act 2006 s629(1)).
classes of spirits	One of eight classes into which spirits are assessed for the purposes of the quarterly returns for alcoholic liquor duty . The classes are: <ol style="list-style-type: none">1 Malt spirits2 Grain spirits3 Neutral spirits of agricultural origin4 Neutral spirits of non-agricultural origin5 Spirits produced from beer6 Spirits produced from wine or made-wine7 Spirits produced from cider or perry8 Other.
classical organisation theory	Approach to running a business developed by such writers as Henri Fayol. <p>The main elements of the theory is to divide the required work into sets of tasks and to organise the workforce effectively to achieve them. Control is achieved by authority and systems of checks.</p> <p>Application of these methods did not achieve the results the writers expected because of human factors. However, elements of the theory will almost always be found in any organisation.</p>
classical system of taxation	Another way of saying classical taxation .
classical taxation	Traditional method of taxation, whereby the taxpayer completes a tax return , and receives a tax assessment against which a payment is made. <p>In the UK, classical taxation was generally replaced by the imputation system for corporation tax in 1973. Classical taxation is still used in the USA.</p>
classic car	For taxation of employment income, a car that is at least 15 years old and with a market value of at least £15,000 (Income Tax (Earnings And Pensions) Act 2003 s147(1)). <p>An employee who is provided with a classic car as a taxable benefit is assessed according to market value rather than list price.</p>
classification of taxes	Ways of defining taxes of different countries to assist comparison. The OECD has devised a system of classification that is widely used.
classified advertisement	Advertisement, usually small and under a classification, such as by individuals offering goods or services in a local newspaper.
class meeting	In company law, a meeting of holders of a class of shares. <p>Such meetings are governed by Companies Act 2006 ss334-335.</p>

class of assets	Putting together assets which have similar characteristics. In particular distinguishing tangible assets from intangible assets . This distinction is needed because the rules for amortisation and revaluation differ between the classes.
class of beneficiaries	When the beneficiaries of a trust are described rather than named. An example is a trust established for all the settlor's grandchildren.
class of business	Distinguishable part of a business that provides a separate service or range of products (SSAP 25).
class of intangible assets	A category of intangible assets having a similar nature, function or use in the business of the entity (FRS 10 para 2).
class of tangible assets	Category of tangible assets , each of which has a similar use to the business (FRS 15).
class pool	For capital allowances, "a pool which may contain expenditure relating to more than one asset" (Capital Allowances Act 2001 s54(4)). Class pools apply to plant and machinery. They are single asset pool, special rate expenditure pool, overseas leasing pool and main pool.
class rights	Rights that attach to a class of share, such as voting rights to A-shares or redemption rights on a class of preference shares.
Claudia's law	Name given to Guardianship (Missing Persons) Act 2017. The Act was prompted by the disappearance of Claudia Lawrence (1974-?), who disappeared in 2009. The main provision is that a guardian can be appointed to look after the financial and administrative affairs of a person who has been missing for 90 days.
clause	Section of a document, such as a contract or Statutory Instrument.
clavis	Key or other device intended to help solve a problem.
clawback	A practice where a sum previously paid is recovered. An examples is in a pension scheme where the amount equivalent to the state pension is subtracted from a target pension to calculate the amount payable by the scheme.



Claudia Lawrence

If commission is paid to an intermediary by a financial institution for the introduction of business and this does not stay in force for a certain pre-determined period a part of the commission may be repayable to the institution. This is known as 'clawback'. The practice is more prevalent among insurance companies.

Clayton Act	In USA, an anti-trust law passed in 1914. It restricts mergers and acquisitions that limit competition, and prevents individuals from serving on boards of competing companies.
CLC	(1) CCH Commercial Law Cases, published from 1994. (2) Company Law Cases, Australian law reports from 1971 to 1981.
clean bill of health	Document once signed by port authorities to certify that there was no infection on board a ship. The term is now used figuratively to mean anything or anyone who is satisfactory.
clean bill of lading	Bill of lading to which there is no note attached saying that the goods are faulty or damaged.
clean break	Complete ending of a relationship so that there is no interdependence at all. The term is sometimes used in divorce settlements.
clean chain	Series of legitimate trading transactions which are run in parallel with a dirty chain relating to missing trader fraud . The parallel trades are known as contra-trading . Because the VAT input tax from the dirty chain is offset against the output tax from the clean chain, VAT relief is gained without making a claim for a repayment. This reduces the likelihood of the fraud being investigated.
clean float	Process of floating a currency on the market without any interference from the government which issues the currency.
clean hands	Freedom from dishonesty; honest intent. A person must "have clean hands" to sue in equity . The term can also mean acting in good faith.
clean money	Money which has been legally acquired, as opposed to dirty money .
clean opinion	Another name for an unqualified report from an auditor.
clean price	Actual price of a bond less the accrued interest. The clean price is used for comparing bonds.
cleanse	In computing, process of going through a data file to remove duplicate and erroneous data, and to ensure that remaining data are correct.
clean sheet	Record which shows that a person has not convictions or other marks against his name.

clean surplus account	Concept that a company's income should show all gains and losses without any of them being taken directly to capital on the balance sheet.
clear	Reduce the balance on an account to zero.
clearance	<p><i>Tax</i></p> <p>In tax, an arrangement whereby the tax authority confirms the tax position in advance.</p> <p>Such clearances are only available in limited circumstances. In general, they prevent the tax authorities from taking a different view later.</p> <p><i>Ships</i></p> <p>Certificate issued by Customs that a ship has complied with requirements and may therefore put to sea.</p> <p><i>Customs</i></p> <p>Process whereby a procedure has been concluded, particularly when goods are cleared by HMRC which has accepted a declaration for them and formally released them for import or export.</p>
clearance area	Area where a local authority is satisfied that every residential building has a category 1 hazard and where demolition is appropriate under Housing Act 1985 s289 (as amended by Housing Act 2004 s47).
clearance certificate	<p><i>Customs</i></p> <p>For Customs, document stating that goods have been cleared by Customs.</p> <p><i>Inheritance tax</i></p> <p>For inheritance tax, a certificate from HMRC, requested on form IHT30, confirming that all returns have been made and all inheritance tax has been paid.</p>
clearance order	<p>Order that could be made under Housing Act 1957 for clearing slums. Such an order justified relief from estate duty under Finance Act 1958 s33, now repealed by Finance Act 1975.</p> <p>Orders could also be made under Housing Act 1936 s26.</p>
clearance procedure	<p>In tax, when HMRC agrees the tax treatment before the relevant transaction has taken place.</p> <p>In general, HMRC only offers this service in a few limited circumstances. For income tax, some details are given in Income Tax Act 2007 s701 and s770.</p>
clearance sale	Period when a retailer sells goods at a lower than usual price to clear stock so that new stock can be brought in.
clearance time	Period for allowing a financial transaction to be completed, particularly paying money into a bank account.
clear day	An entire day from midnight to midnight. The term is used in such contexts as three clear days for a bill of exchange, meaning that parts of a day are not

counted.

cleared balance	Balance on a bank account, excluding any sums paid in which have yet to be paid out by the payer.
cleared date	Date on which funds are removed from an account.
cleared for fate	Description of process whereby a bank advises when funds will be available to honour a cheque.
cleared value	Description of when funds in a bank account become available to the customer.
clearing	Process of making payment from a bank account.
clearing agency	In America, the central office where financial transactions are settled.
clearing and settlement	Processes which take place after a trade in a share or other security.
clearing bank	Bank which is part of the clearing system which allows banks to settle transactions between customers of different banks.
clearing house	Place where clearing banks exchange cheques or where transactions get settled.
clearing house automated payment system (CHAPS)	Computerised payment system used for clearing cheques in the UK. It began operation in 1984.
clearing house interbank payment system (CHIPS)	Computerised system used for clearing cheques in USA.
clearing cycle	Process by which payments are effected using cheques and similar. Traditionally this period is three days, though some transactions were reduced to two days in 1994.
clearing fee	Sum charged by an agency for settling transactions on an exchange.
clearing house	Central system for effecting payments between members. The best-known is CHAPS used by banks.
Clearing House Inter-bank Payments System (CHIPS)	In USA, clearing system for banks.
Clearing Houses Automatic Payment System (CHAPS)	Bank procedure for making electronic payments from a bank account. An electronic transfer of money between two bank accounts will clear the payee's account on the same working day provided instructions are received before 3.15 pm.

clearing lock Facility in the HMRC **SAFE** computer system “to prevent payments from being automatically allocated against the next charge” (Inspectors’ Manual at DMBM 121045).

clear profit Expression which refers to a profit, all of whose benefit goes to the person or business with no amount to be deducted for any costs, expenses, commission etc.

Clearstream Electronic clearing system for settlement of security transactions. It is one of the principal clearing houses for **Euromarket** transactions.

clear the court Require all people in a court to leave if they are not involved with the case. This is a direction that may be given by a judge such as when confidential matters are to be discussed or where court proceedings are disrupted.

Clements, Judy HMRC Adjudicator, appointed from 20 April 2009 to April 2016.

clergy

Definition

Ministers of a church, particularly of the Church of England or other established denomination.

For tax purposes, clergy and church ministers are regarded as having some exclusivity of rite.

Taxation of income

Clergy and other ministers are generally taxed on earnings as employment income, even though they are usually office holders rather than employees. They also pay class 1 national insurance.

Care must be exercised when the clergy raise funds or are given donations that this is not treated as taxable income.

Tax relief

There are some specific tax provisions for **ministers of religion**, such as tax exemption for heating and similar expenses in defined circumstances (such as not being a P11D office-holder).

This is exempted from tax under Income Tax (Earnings And Pensions) Act 2003 s290A and 290B from 6 April 2010. Previously the exemption was given in extra-statutory concession A61.

Accommodation

A parsonage is regarded as representative occupation and therefore is not taxed as a benefit in kind.

Other provisions

The Church of England had an ancient custom of making the collection on Easter Day a gift to the incumbent. Sometimes the collection at Whitsun was given to a curate.

Historically, clergy received their income from farming glebe land. There is case law on this also.

As both the practices have long ceased, the law is now of historic

interest only.

clergy grant	An addition to the poll tax payable by clergy from 1377.
clerical collar	Collar worn by clergy. As they are not legally required to wear one, it cannot be claimed as an expenses against taxable income.
Clerk of the Pells	Officer of the Exchequer whose duty was to record receipts and disbursements. The office was abolished in 1834.
clerk to the justices	Solicitor or barrister who assists magistrates in court.
CLF	Central Liquidity Facility.
CI & Fin	Clark and Finnely's Reports, law reports of House of Lords from 1831 to 1846.
click rate	Measure of usage of a website . It is often used as the basis for payment of commission between businesses.
clicks and mortar	Colloquialism for a business that operates from both a website and business premises.
client	(1) Customer. The word "client" is preferred by suppliers of professional services. (2) In relation to apprenticeship levy, "means a person to whom that relevant service provider provides or is to provide a service with respect to a payment of apprenticeship levy" (Finance Act 2016 s107(3)).
client account	Bank account operated by a solicitor or other professional person in which they hold funds for the benefit of their clients. Law Society regulations require such funds to be held separately from the firm's own funds. They are excluded from the firm's accounts. They are protected should the firm become insolvent. Where the interest on such account becomes part of the professional person's income, it is taxed as investment income (<i>Brown v CIR. HL [1964] 42 TC 42</i> and <i>Northend v White & Leonard & Corbin Greener. Ch D [1973] 50 TC 121</i>).
clientage	The whole of a firm's clients viewed as a single entity.
client agreement	In investment, a document issued by a broker or agent to a client outlining the basis of their relationship, such as exactly what services are being provided.
clientele effect	Company policy which is designed to attract or retain particular investors, such as by its dividend policy.
client name	Name of a tax agent's client. When reporting, this name must be as registered with HMRC.

client risk test	One of 12 tests included in HMRC guidance published early in 2012 on whether an individual comes within the scope of IR35 .
cliff edge	<p>Any sudden and extreme change.</p> <p>The term is often used to explain the lifestyle change from full-time employment to retirement.</p> <p>It is also used for “all or nothing” regulations where a completely different set of rules are triggered at a point with no gradations or transitions between the alternatives. UK tax residence rules are an example.</p>
climate	General state of the weather. By extension it refers to any general state, such as in economic climate.
climate change	<p>Belief that the world's climate is changing, particularly from human activity. This includes burning fossil fuels which release greenhouse gases. Climate change has legal, economic and fiscal consequences.</p> <p>The legal consequences are the banning of certain products which are considered environmentally unfriendly.</p> <p>The economic consequences as climate change causes flooding and other extreme weather, and changes to the patterns of crop production. It is feared that this could lead to political tension as nations compete for scarce resources.</p> <p>Fiscal consequences include the climate change levy which imposes a tax on power generation, and changes to the tax system in vehicle excise duty and the taxation of company cars whereby less polluting cars pay less tax.</p>
climate change agreement (CCA)	<p>Agreement that may be made by a large user of energy, in return for which the amount of climate change levy they pay can be reduced. In 2015, the relief is 90% for electricity and 65% for gas and other taxable fuels. Sites with CCAs are also exempt from the Carbon Reduction Commitment scheme, provided that more than 70% of the site's energy is eligible for the CCA scheme.</p> <p>CCAs were introduced with climate change levy on 1 April 2001.</p>
climate change levy	<p>Tax introduced on 1 April 2001 by Finance Act 2000 s30. Details are contained in Sch 6 of this Act, statutory instruments and HMRC guidance.</p> <p>The tax is charged on supplies of power to commercial organisations. It is charged on electricity and mains gas at a rate per kilowatt hour, and on liquid petroleum gas and other physical fuel at a rate per kilogram.</p> <p>A large user of energy may save up to 80% of the levy by signing a climate change agreement.</p> <p>Income from the tax was used to reduce employers' national insurance by 0.3 percentage points, which reduction has long been lost by subsequent increases.</p>
climate survey	In human resources, process of obtaining employee opinions about the organisation with a view to improving working relations.

clinical commissioning groups	Bodies established under National Health Service Act 2006 s11 [number 1 followed by letter l] as inserted by Health and Social Care Act 2012 s10. This definition is applied for tax law, such as Corporation Tax Act 2010 s986.
clipping	Practice of cutting off small amounts from early gold and silver coins. The practice was countered by having designs which went to the edge of the coin, and giving coins either milled edges or engraving an inscription on the edge.
CLO	Collateralised loan obligation.
clock and watch tax	An excise duty imposed between 1797 and 1798.
clock arithmetic	Arithmetic where numbers do not increase indefinitely but start again when a predefined number has been reached. The name comes from a clock where 12 is the maximum number so $10 + 3 = 1$. In other words, three afters after 10 o'clock is 1 o'clock.
clog on equity of redemption	Legal doctrine that a mortgage deed may not contain any provision that restricts the mortgagor's right to redeem the mortgage.
close	(1) Finish the accounts for a period, from the analogy of closing a book. (2) In law, the term meant enclosed land. The term was used in action for trespass.
close company	A company "which is under the control of five or fewer participators" with a few exceptions (Income and Corporation Taxes Act 1988 s414(1)). The US equivalent is a close corporation . Inheritance tax provisions are given in Inheritance Tax Act 1984 from s94.
close corporation	American term for a close company .
closed	(1) In accounting, any period for which final accounts have been produced. (2) In tax, any period for which all returns have been properly submitted. (3) In business, a description where trading activity has ceased. (4) In retail, a business that is not currently open for trade. (5) In insurance, a syndicate year that has been closed by reinsurance to close .
closed economy	National economy where transactions are strictly controlled by the government.
closed-end fund	Fund established by an investment trust where the number of units is fixed at the outset, and cannot be increased.
closed fund	Any fund where the amount of capital which can be invested is fixed in advance, such as investment trust .

closed market	Trading arrangement where a supplier deals with only one agent or distributor and does not supply any one else directly.
closed-end credit	Loan, plus charges and interests, which are to be repaid by a specific future date.
close-ended	Description of any type of collective investment where the total capital is fixed in advance.
closed-end fund	Investment company with a fixed capital. Investments can only be made by buying shares in that capital.
closed material	<p>Material that may be withheld from an individual at an employment tribunal or other tribunal proceedings when it involves national security. The provisions are contained in SI 2004 No 1861. Arrangements must be made to ensure that the employee's rights are not compromised by such exclusion.</p> <p>The legality of these arrangements was upheld by the Supreme Court in the case <i>Tariq v Home Office [2011] SC</i>.</p>
closed period	<p>Company administration</p> <p>Period of two months before a company announces its result in which directors are not allowed to buy or sell their company's shares.</p> <p>Mortgages</p> <p>Period of a mortgage when it cannot be prepaid.</p>
closed proceedings	<p>Proceedings from which an individual at an employment tribunal or other tribunal proceedings may be excluded when it involves national security. The provisions are contained in SI 2004 No 1861. Arrangements must be made to ensure that the employee's rights are not compromised by such exclusion.</p> <p>The legality of these arrangements was upheld by the Supreme Court in the case <i>Tariq v Home Office [2011] SC</i>.</p>
closed scheme	Pension scheme which is closed to new members which has sufficient assets to meet its protected liabilities. Special provisions apply to such schemes under Pensions Act 2004 s153.
closed, selective and controlling (CSC)	<p>The traditional form of management, as against open, random and supportive.</p> <p>The term refers to a top-down management structure that excludes creativity from the lower levels of an organisation.</p>
closed shop	<p>Arrangement whereby a person may only secure work by belonging to the appropriate trade union. Such arrangements are now illegal under Trade Union and Labour Relations (Consolidation) Act.</p> <p>In 1971, about one sixth of all British workers and 40% of trade unionists worked in a closed shop.</p>

closed tax year	<p>In relation to PAYE, “means any tax year preceding the current year” (PAYE regulations SI 2003 No 2682 reg 2(1)).</p> <p>The PAYE rules are given in reg 66A.</p>
close family	<p>“Close members of the family of an individual are those family members, or members of the same household, who may be expected to influence, or be influenced by, that person in their dealings with the reporting entity” (FRS 8 para 2.1).</p>
close investment holding company	<p>Close company which does not trade. It is usually either a holding company for trading companies, or a company which invests. Tax provisions are given in Corporation Tax Act 2010 s34.</p> <p>The income tax provisions for buying an interest in such a company is set out in Income Tax Act 2007 from s392.</p>
closely held	<p>Description of arrangement where shares in a company are held by a few individuals and do not generally become available to buy.</p>
closely held corporation	<p>In USA, public corporation that has a small number of stockholders and where its stock is consequently rarely traded.</p>
closely inherited	<p>In relation to residence nil rate band for inheritance tax, this term is defined in Inheritance Tax Act 1984 s8K as inserted by Finance (No 2) Act 2015 s9.</p>
close members of the family of a person	<p>For accounting standards, “those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity including:</p> <ul style="list-style-type: none">(a) that person’s children and spouse or domestic partner;(b) children of that person’s spouse or domestic partner; and(c) dependants of that person of that person’s spouse or domestic partner” ((FRS 102 glossary).<p>This definition is relevant for related party disclosure.</p><p>Similar provisions are require under International Accounting Standard IAS 24 para 9.</p>
close off	<p>Process of finishing the accounts for a particular period.</p>
close of pleadings	<p>Stage in the course of pleading in an action in the High Court.</p>
close out	<p>Close an open position by buying or selling a financial obligation to reach a zero position.</p>
close period	<p>Period during which directors and other insiders are not allowed to trade in shares or other securities of their company. It is also normal for companies to refrain from making price-sensitive statements during this period, though this is not strictly a legal requirement.</p>

closer	Term used in 19th century for workers, almost always women, who made the upper parts of shoes in their homes.
close relative	Term used by Financial Services Authority to mean a spouse or civil partner, a child or step-child, the child's parents or step-parents, a child's brothers, sisters or half-brothers or half-sisters, and any spouse or civil partner of these. (Regulated Activities Order; Financial Promotions Order)
close rolls	Private deeds and similar held in Chancery from 1204 to 1903.
close season	Another name for a close period .
closet tracker	Fund which is tracking another fund or an index without disclosing that fact.
closeting	Buying an item and using it briefly before returning it for a full refund. It is also known as wardrobing .
closing	Relating to the end of an accounting period, either as a description of an account, such as closing stock or closing balance, or as the process of closing the books for the accounting period.
closing balance	<p>The amount of an account at the end of an accounting period. This is expressed as a debit or a credit.</p> <p>In traditional bookkeeping, all such debits and credits are taken from the nominal ledger and listed as a trial balance. As every transaction has equal amounts of debits and credits, the totals should be the same.</p>
closing bid	The final bid in an auction for which sum the item is sold.
closing date	Last date by which an action will be permitted, such as applying for a job or a tender.
closing deal	Transaction on a commodity market that closes a long or short position, or terminates the liability of an option holder.
closing entries	Entries made in the journal at the end of an accounting period to balance the revenue and expense ledgers.
closing entry	Entry made in the journal to close an account, that is to bring its debit or credit value to zero. Such entries are made in accounts which are created for a temporary purpose, such as a suspense account .
closing liabilities	In relation to taxation of insurance companies, "means liabilities assumed at the end of the period of account concerned in consequence of the declaration of reversionary bonuses or a reduction in premiums" (Income and Corporation Taxes Act 1988 s431(2)).
closing order	Term once used when a local authority orders a house to be closed as being unfit for habitation under Housing Act 1957 ss17-18, now repealed. Under

current law, such property is more likely to have a demolition order served.

closing out	American term for the practice of selling goods cheaply for the sake of clearing the stock.
closing price	Price of a share or other security at the end of a trading day.
closing purchases	Acquisitions of a traded option or options by a grantor of options to close his or her position. Such purchases are generally ignored for capital gains tax purposes under Taxation of Capital Gains Act 1992 s148.
closing range	In futures trading, the range of closely allied prices at which transactions were conducted at the close of a trading day.
closing rate	Exchange rate of a currency at the close of business on the last day of an accounting period. For accounting standards, the term is defined as "the spot exchange rate at the end of the reporting period" (FRS 102 glossary). For International Accounting Standard, the same definition is used in IAS 21 para 8.
closing rate method	Technique for translating values in a foreign currency into the currency of the business entity being reported. The method translates the balances using the closing rate . This method is widely used when consolidating accounts of a subsidiary company which have been expressed in a foreign currency.
closing sale	In investment, sale of securities to close a long position .
closing stock	Value of stock held by a business at the end of an accounting period . This figure is calculated by stocktaking to determine how much of each item is held in stock, and valuation of the items. To this a figure is added for work in progress . The total is then entered in the nominal ledger as a journal entry. The business calculates its cost of goods sold as: cost of goods sold = opening stock + purchases – closing stock. The cost of goods sold is subtracted from turnover to give gross profit .
closing the books	Point when an accountant or treasurer accepts no further transactions for an accounting period.
closing 52-week high	Highest price of a security over the last 52 weeks.
closing 52-week low	Lowst price of a security over the last 52 weeks.
closure	(1) Shutting down a business or premises, particularly when this is permanent. (2) Activity designed to help a person come to terms with the finality of a situation.

closure notice	<p>Any direction requiring some action to cease.</p> <p>In particular, the term refers to a notice from HMRC under Taxes Management Act 1970 s28B(1) stating that it has finished an enquiry.</p>
closure notice	<p>Order issued by a police officer of at least the rank of superintendent to close premises he reasonably believes are used for using or producing a Class A drug (Anti-social Behaviour Act 2003 s1). This may be followed by a closure order from a magistrates' court.</p>
closure order	<p>Order made by police of licensed premises under Licensing Act 2003 s161.</p>
cloth of gold	<p>Tissue made from threads of gold, often with threads of silk or wool.</p>
cloth tax	<p>Customs duty briefly imposed by Queen Mary in 1558 when she extensively revised customs duties. This replaced wool tax.</p>
clothing	<p>Income tax</p> <p>Clothes provided to an employee are a taxable benefit in kind. For a lower-paid employee, the taxable value is the second hand value of the clothes following the decision in <i>Wilkins v Rogerson</i> [1961] 39TC344. Other employees are taxed on the cost to the employee.</p> <p>Normal clothing cannot be claimed as a business expense as it is not "exclusively" acquired for the performance of the duties of the employment, but is always acquired partly for warmth and decency. This applies even when the clothing is required to meet the particular requirements of the job, such as formal skirts and blouses for a lady barrister (<i>Mallalieu v Drummond</i>). Exceptions apply to safety clothing, uniforms and performers' costumes.</p> <p>Value added tax</p> <p>Clothing is standard-rated except for children's clothing and some safety clothing that is zero-rated.</p> <p>For this purpose must be something that is worn on the body. VAT tribunals have held that the definition does not extend to:</p> <ul style="list-style-type: none">• items primarily designed to protect a child in a push chair (<i>Mothercare Ltd</i>, [1976] VTD 323)• slings to carry a baby (<i>Little Rock Ltd</i> [1977] VTD 424)• buoyancy vests (<i>British Vita Co Ltd</i> [1976] VTD 332)• elasticated headbands (<i>Mrs V Cassidy</i> [1990] VTD 5760)• sports wristbands to absorb perspiration (<i>Vidhami Brothers Ltd</i> [2004] VTD 18997)• badges, sashes and woggles for Brownie and Cub uniforms (<i>Dauntgate Ltd</i> [1993] VTD 11663)• nursing shawls (<i>W G Jones & Son</i> [1974] VTD 117). <p>The supply does not have to be of a completed garment. So the cutting and pleating of material to an extent that it could only be used to make girls' skirts was zero-rated (<i>Ali Baba Tex Ltd. QB</i> [1992] STC 390. However washing jeans to make them lighter and more fashionable was not a supply of goods and so could not be zero-rated (<i>Warley Denim Services</i> [1992] VTD 10396.</p> <p>As to whether it is suitable for children, VAT leaflet 714 sets out</p>

maximum sizes and other conditions. Sports shorts were zero-rated as the waist-crotch-waist measurement was too small for an adult (*Falcon Sportswear [1985] VTD 2019*). Leather overcoats for girls could be zero-rated even though they included a three-inch bust dart (*Walter Stewart Ltd [1974] VTD 83*).

clothing club

One of several organisations which existed in the 1920s and 1930s as a means of helping poor people to afford clothing and bedding.

cloture

Vote for an immediate end of debate and for a vote to be taken on the substantive motion.

cloud computing

A shared pool of configurable computer resources that is widely used for data **back-up**. Cloud computing has been generally available from 2006, though there are earlier forms.

It often works by encrypting data and sending them to a remote computer. The sender can access the data from any computer by using special software.

cloud memory

Computer term for data which are held off-line on a main computer from which they are accessed.

CLP

ISO code for Chile peso.

CLR

Commonwealth Law Reports, Australian law reports published from 1903.

CLS

Continuous linked settlement.

CLSO

Contractor Loan Settlement Opportunity.

CLT

Chargeable lifetime transfer, for inheritance tax.

club

Usually an unincorporated association run by and for the benefit of its members.

A club is liable to corporation tax, not income tax, on any taxable profits. The VAT position is explained in VAT leaflet 701/5.

club deal


Syndicated bank loan where the borrower states to which banks the main lender may syndicate sub-loans.

club gaming permit

This is defined in Gambling Act 2005 s271. The same definition is used for betting and gaming duties (Finance Act 1997 Sch 1 para 2(1)).

club practice

Medical scheme that operated until 1912. A general practitioner accepted a fixed fee to provide treatment to a defined group of people without further payment. Competition drove these fees to low levels with the result that the people tended to receive poor treatment. It was ended by national health insurance which was itself replaced by the national health service in 1948.

club premises certificate	Certificate which may be issued by a licensing local authority for a club (Licensing Act 2003 s60).
clubs	One of the four symbols used on a standard pack of playing cards. The symbol, printed in black, is: 
cluster analysis	In statistics, a method for dealing with a large number of variables . The variables are grouped into clusters, and the clusters are treated as a single variable.
cluster area	For oil companies, "means an offshore area which the Secretary of State determines to be a cluster area" (Corporation Tax Act 2010 s356JD(1)).
cluster area allowance	In relation to oil and gas companies, this term is defined in Corporation Tax Act 2010 from s356JC and 356JF.
cluster sampling	Sampling method that puts variables into clusters.
Clydesdale Bank	Bank formed in Glasgow in 1838. The bank grew throughout Scotland and became the first Scottish bank to open branches in England. In 1919, Midland Bank acquired Clydesdale. In 1950 it was merged with North of Scotland Bank which Midland had also acquired. In 1987, Midland sold the bank to National Australia Bank which still owns it. Clydesdale Bank is one of three Scottish banks which still issues its own banknotes.
Clynes, John Robert	English Labour politician (1869-1949) who was the first English leader of the Labour party, from 14 February 1921 to 21 November 1922.
Cm.	Command Paper.
c & m	Care and maintenance.
CMA	Competition and Markets Authority.
CMCC	Cheque Card Management Committee.
Cmd	Command Paper.
CME	Chicago Mercantile Exchange.
CMEA	Council for Mutual Economic Assistance, founded in 1949 by Eastern European states, most of whom are now members of the European Union.
CMI	Chartered Management Institute.

CMLR	Common Market Law Reports, published from 1962.
Cmnd	Command Paper.
CMO	Collateralised Mortgage Obligation.
CMR	Convention Marchandises Routiers.
CMR Convention	Usual abbreviation for Convention on the Contract for the International Carriage of Goods.
CMT index	Constant Maturity Treasury Index. This provides an index of US Treasury securities. This index tends to respond quickly to any perceived changes in the economy.
CN	Combined Nomenclature
C/N	Credit note.
CNC	Customer-nominated contact.
CNCC	Compagnie Nationale des Commissaires aux Comptes.
CNCD	Combined Consignment Note and Customs Declaration.
CNCOM	Concentration risk capital component.
CNG	Compressed natural gas, a form of road fuel.
CNMV	Comisión del Mercado de Valores , the Madrid stock exchange.
CNPA	Civil Nuclear Police Authority.
CNR	Centre for Non Residents, part of HMRC.
Cnut	King of England from 1016 to 1035. His name is also rendered as Canute .
CNY	ISO code for China yuan renminbi.