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T	<p>Tax code</p> <p>Suffix for a tax code. This suffix does not indicate the allowances to which a person is entitled, as do other suffixes. A T code may only be changed by direct instruction from HMRC.</p> <p>National insurance</p> <p>National insurance contribution letter for ocean-going mariners who pay the reduced rate.</p> <p>Other meanings</p> <p>(1) Old Roman numeral for 160. (2) In relation to tapered reduction in annual allowance for pension contributions, the individual's adjusted income for a tax year (Finance Act 2004 s228ZA(1) as amended by Finance (No 2) Act 2015 Sch 4 para 10). (3) Tesla, the unit of measure. (4) Sum of transferred amounts, used to calculate cluster area allowance in Corporation Tax Act 2010 s356JHB. (5) For the taxation of trading income provided through third parties, a person carrying on a trade (Income Tax (Trading and Other Income) Act 2005 s23A(2) as inserted by Finance (No 2) Act 2017 s25(2)). (6) For apprenticeship levy, the total amount of levy allowance for a company unit (Finance Act 2016 s101(7)).</p>
T+	<p>Abbreviation sometimes used to indicate the number of days taken to settle a transaction.</p>
T\$	<p>(1) Abbreviation: pa'anga, currency of Tonga. (2) Abbreviation: Trinidad and Tobago dollar.</p>
T1 status	<p>HMRC term for goods not in free circulation.</p>
TA	<p>(1) Territorial Army. (2) Training Agency. (3) Temporary admission, of goods for Customs purposes. (4) Telegraphic Address. (5) In relation to residence nil rate band for inheritance tax, means the amount on which tax is chargeable under Inheritance Tax Act 1984 s32 or s32A. This term is given in Inheritance Tax Act 1984 s8M(6) as inserted by Finance (No 2) Act 2015 s9.</p>
TAAR	<p>Targeted Anti-Avoidance Rule.</p>
TAB	<p>(1) Technical Assistance Board, part of United Nations. (2) Totalizator Agency Board, off-course betting authority in Australia and</p>

New Zealand.

tab	Tally or financial record. The term is particularly used for a running account, such as for food and drinks progressively consumed at a function.
table	Chart of numbers, indices or similar laid out according to selection criteria. Tax tables are produced for PAYE.
Table A	(1) Under company law, draft regulations for the management of most companies. (2) PAYE tables that provide tax adjustment figures. These calculate either free pay or an additional amount for K codes . (3) List of taxable benefit (social security benefits subject to income tax) as set out in Income Tax (Earnings And Pensions) Act 2003 s660.
Table B	(1) Under company law, draft memorandum of association for a private limited company. (2) PAYE tables that calculate tax payable from a figure adjusted after using Table A . (3) List of social security benefits that are not subject to income tax, as set out in Income Tax (Earnings And Pensions) Act 2003 s677.
table beer	Class of beer in the early 17 th century which was excised at a rate between strong beer and small beer.
Table C	Under company law, draft memorandum of association for a company limited by guarantee and having no share capital.
Table D	Under company law, draft memorandum of association for a company limited by guarantee and having share capital.
Table E	Under company law, draft memorandum of association for an unlimited company that has share capital.
Table F	Under company law, draft memorandum of association for a public limited company.
table football game	Such a machine is specifically excluded from the scope of amusement machine licence duty .
Tablet	Piece of slate or similar material for writing on. By extension, a term for an electronic device with computing functions.
table tennis	A table tennis player may retire on a personal pension at the age of 35, provided: <ul style="list-style-type: none">• the person had the right by 5 April 2006,• the right was unqualified in that it needed no other person to consent,• the right was set out in the governing documentation of the

pension scheme by 10 December 2003.
(SI 2005 No 3451, as explained in the Inspector's Manual at RPSM 03106035).

tablets	For VAT, tablets are generally not regarded as food, even if nutritious and palatable. Fruit and vegetable tablets were denied zero-rating in <i>National Safety Associates of America (UK) Ltd [1995] VTD 14241</i> . Other types of tablet follow the VAT treatment for medicine .
taboo	General restriction, such as a subject which is considered inappropriate for public discussion.
tabula in naufragio	Latin: plank in the shipwreck. The term relates to the rights of mortgagees of a ship that has sunk.
tabular	Form of records where data is kept in columns, such as in a manuscript accounts book.
tabula rasa	Latin: a clean slate.
TAC	(1) Trades Advisory Council. (2) Tobacco Advisory Committee. (3) Total Allowable Catches, term used in fishing rights.
T account	Historic method of drawing up an account. A large letter T is drawn. The name of the account is written above the upper horizontal. The debits are recorded on the left of the vertical line, and the credits on the right. This may include any balance brought forward from a previous account. The balance carried forward is whatever figure has to be added to one side to make the totals the same.
tachograph	Device installed in some vehicles to keep an automatic record of journeys.
Tachwedd	Welsh: November.
tacit relocation	Process under Scots law whereby a tenant of agricultural property can stay on if neither party terminates a lease and the tenant inherits the interest in the property on the death of the previous holder. Under Inheritance Tax Act 1984 s177, the value of this inheritance is not subject to inheritance tax.
tack	Scottish term for a tenure or lease. The word has many other meanings.
TACOS	Terms and conditions of service.
TAD	Transit accompanying document.
TAFE	Technical and further education.

tag	Identifier attached to something. Items in a corporation tax return are tagged using iXBRL from 1 April 2011.
tag day	American term for a flag day .
Tahiti	Island in Polynesia.
tailings	Residual powder after gold ore has been extracted from mined rock. It is possible to extract gold from tailings. This is treated as winning minerals.
tail swallowing	<p>Definition</p> <p>Sale of sufficient rights to buy shares in a rights issue.</p> <p>For example a rights issue may allow a person to buy 110 shares at 100p or receive a payment of 10p for each right. If the person sells 100 rights he realises £100, enough to use the remaining rights to buy 10 shares.</p> <p>Formula</p> <p>The formula to calculate the number of rights to sell is:</p> $N = \frac{QS}{R + S}$ <p>where N is the number of right to sell Q is the number of rights offered S is the price of the share under the rights issue R is the value of thr right.</p> <p>Tax implication</p> <p>Tail swallowing is subject to a special provision in relation to share incentive plans. Under Income Tax (Earnings And Pensions) Act 2003 Sch 2 para 77, the trustees have the power to sell sufficient rights to use the remainder of the rights to buy shares. This is subject ti any direction given by a scheme participant.</p>
tainted charity donation	<p>Relievable charity donation where the donor receives a benefit as set out in Income Tax Act 2007 s809ZJ or Corporation Tax Act 2010 s939C. This is added by Finance Act 2011 Sch 2.</p> <p>The capital gains tax provisions are given in Taxation of Capital Gains Act 1992 s257A.</p>
tainted donation	Another name for a tainted charity donation .
tainted donation provisions	These “are — (a) this chapter [Income Tax Act 2007 Pt 13 Chapter 8], (b) section 257 of TCGA 1992 ... (c) Part 21C of CTA 210...” (Income Tax Act 2007 s809ZI(3)).

tainted gift	Gift made within six years of the offence which funded it (Proceeds of Crime Act 2002 s77).
taipan	Foreigner running a business in China.
Taiwan	Island country in Pacific Ocean. It originally claimed sovereignty over the whole of China. Conversely, China claims sovereignty over Taiwan. Its currency is the New Taiwanese dollar of 100 cents. The UK has a double taxation agreement of 2002 with an annex.
Tajikistan	Eastern country. Its currency is the somoni of 100 dirams. The UK has a double taxation agreement of 2014 which came into force on 16 March 2015.
taka	Currency of Bangladesh.
take-home pay	Amount an employee actually receives. It represents net pay subject to any further deductions, such as loan repayments.
taken offshore	In relation to foreign income and gains under the remittance basis, this expression is defined in Income Tax Act 2007 s809Z9(2).
take-off weight	In relation to air passenger duty and aircraft, means "the total weight of the aircraft and its contents when taking off" (Finance Act 1994 s29(2)). The section continues by distinguishing those with such a weight of less than 5.7 tonnes, and those with a weight equal or greater. In relation to rates of duty Finance Act 1994 s30 uses the same difference, but makes a distinction for aircraft of 20 tonnes and above.
takeover	One company buying another. In relation to corporation tax relief for an employee share scheme, "there is a takeover of a company when another company (the acquiring company) acquires control of it" (Corporation Tax Act 2009 s1023(3)).
take-over bid	Attempt by a company to acquire another. The former company is called the acquirer and the latter the target . Such bids are regulated by Takeover Directive . Takeover bids are defined in accordance with that Directive (Companies Act 2006 s953(9)). The expenses of such a bid are usually regarded as capital rather than Such bids are regulated by Takeover Directive .
Takeover Code	Code of practice which regulates takeovers.
takeover offer	Offer to acquire a controlling interest in a company. The term is fully defined in Companies Act 2006 s974.
Takeover Panel	Term sometimes used to mean the Panel on Takeovers and Mergers .
Takeovers Directive	EC Directive on Takeover Bids, 2004/25/EC. Compliance with this directive is a function of the Panel on Takeovers

and Mergers (Companies Act 2006 from s942).

takeover target	Company which is vulnerable to a takeover.
take silk	Become a Queen's Counsel , when a barrister exchanges his stuff gown for a silk gown.
take up	Accept or utilise a financial arrangement, such as an offer to buy shares.
take up rate	Number of people who accept an offer as a percentage of those eligible to do so. The term is commonly used in connection with rights issues and social security benefits.
taking control of goods	Process of taking goods as a means of securing payment of tax. The procedure is contained in Tribunals, Courts and Enforcement Act 2007 Sch 12. The application of that procedure for tax is given in Finance Act 2008 s127.
takings	Receipts, particularly in a shop.
tala	Currency of Samoa, comprising 100 sene.
talaq	Form of divorces under Sharia law.
talent	(1) A person's natural ability. (2) Unit of currency in ancient Assyria, Babylon and Rome.
tales	Persons in court from whom a jury may be selected.
talking books for the blind	These are cassettes, tapes, CDs or other media where a book is read. These items are zero-rated under Value Added Tax 1994 Sch 8 Group 4 if provided by a charity for the blind.
tallage	Tax imposed between 1174 and 1268 by the king on the increasingly wealthy boroughs. The word tallage was first used in 1177. There was a massive tallage in 1192 to ransom Richard I. In 1243, tallage was levied directly on citizens rather than being compounded by the borough. This led to open protest in London in 1255.
tallent	Word used by Shakespeare and believed to mean great wealth or abundance.
tallow	Animal fat, particularly from sheep and cattle, used to make candles and soap. There was controversy in 2016 when it was disclosed that a small amount of tallow was used to make the substrate for polymer £5 notes. The Bank of England subsequently announced that it could find no environmentally-friendly substitute and would continue using tallow.
tall poppy syndrome	Aspect of culture that resents people who have achieved success in life.

tally	<p>Record of how many things have been done. Sometimes the term means to keep a record of amounts. The term is used for a simple process of counting and recording.</p> <p>The term originally related to a stick on which a notch was carved. The stick was then split into two with the payer keeping one half with the notch as a receipt for payment.</p>
tally clerk	<p>Person whose job it is to count and record something, particularly quantities of cargo.</p>
tally sheet	<p>Blank form on which quantities are noted.</p>
Talmud	<p>Fundamental code of Jewish civil and canon law.</p>
taluk	<p>In India, a hereditary estate, or a subdivision of a district for the purposes of collecting revenue.</p>
TAM	<p>(1) Telephone answering machine. (2) Television audience measurement.</p>
tambala	<p>One hundredth of a kwacha, currency of Malawi.</p>
tampon	<p>For VAT, this is reduced rated from 1 January 2001 under Value Added Tax Act 1994 Sch 7A Group 8. The exact scope is given in VAT notice 701/18.</p>
tampon tax	<p>Term coined in 2015 for the VAT on sanitary protection in a campaign to press the European Union to allow the reduced rate of 5% for sanitary products to be reduced to zero.</p>
tangible asset	<p>Asset which has a physical form, such as a building, furniture, chattel or vehicle, as against intangible assets such as goodwill and brand names.</p>
tangible fixed assets	<p>A fixed asset (also called a non-current asset) which has a physical existence.</p>
tangible property	<p>Property that may be touched, that is property that has a physical existence such as buildings, vehicles, plant and furniture. This excludes intellectual property such as copyright and patents.</p>
tankage	<p>Charge for storage in a tank.</p>
tanner	<p>Slang name for a sixpence.</p>
tanto uberior	<p>Latin: so much the richer.</p>
tant pis	<p>French: so much the worse.</p>
Tanzania	<p>African country. Its currency is the Tanzanian shilling of 100 cents. The UK has no double taxation treaty.</p>
Tanzanian shilling	<p>Currency of Tanzania.</p>

taonga	Something highly prized in Maori culture.
TAP	Total allocated to policy holders. This abbreviation is used in Income and Corporation Taxes Act 1988 s444AJ(5) in relation to life assurance business.
tap	Colloquialism meaning to persuade someone to lend or otherwise provide money.
taper	Reduction in one figure corresponding to a change in another figure.
tapered reduction	In relation to pensions allowance, this is the amount to which the annual allowance is reduced for those earning more than £150,000 a year. The reduction is set out in Finance Act 2004 s228ZA as inserted by Finance (No 2) Act 2015 Sch 4 para 10.
taper relief	Tax relief under capital gains tax. It applied to gains that arose before 6 April 2008 and reduced the tax payable according to the length of ownership of the asset. It was replaced by entrepreneur's relief .
taper threshold (TT)	Maximum amount for which residence nil-rate band applies for inheritance tax (Inheritance Tax Act 1984 s8D(5) as inserted by Finance (No 2) Act 2015 s9(4)).
TAPS	Trader Account Payment System.
tap the admiral	Naval slang for a surreptitious breach of a cask of liquor.
Tap-Up Sunday	Sunday preceding 2 October each year when anyone could sell beer at St Catherine' Hill, Guildford, without needing a licence.
tare	Weight on an empty vehicle or vessel. The term is particularly used in determining the weight of freight, when the tare is subtracted from the gross weight.
TARGET	Cross-border Euro settlement system that links CHAPS in the UK with equivalent systems in other EU states.
target company	Company which another company wishes to take over.
target cost	Cost which at which a business hopes it can provide a product or service. The target cost is usually one which is significantly less than the current cost but where it is believed some savings may be made.
targeted anti-avoidance rule (TAAR)	Provision of tax law designed to counter the exploitation of tax rules to gain an unintended tax advantage. A TAAR usually operates by stating the criteria against which a tax benefit is disallowed. An example is Finance Act 2010 s25 for annual investment allowance.

targeted employment support (TES)

Pilot scheme offered by HMRC from November 2011 to employers with particular payroll issues.

targeting

In marketing, the means by which advertisers attempt to reach a desired audience through choice of category, choice of web site, choice of demographic, geographic location, or whatever other criteria the advertiser finds interesting.

In social security, a euphemism for **means-testing**.

TARIC

Another name for the **tariff code** used to determine Customs duties.

tariff

Any list of prices, such as for bank charges, in particular the Interrelated Tariff of the United Kingdom for the purposes of determining Customs duties.

tariff cap conditions

In relation to domestic energy, this term is defined in Domestic Gas and Electricity (Tariff Cap) Act 2018 s2).

Tariff Classification Service (TCS)

Service provided by HMRC to businesses, particularly importers, to assist in classifying goods to determine the Customs duty payable. It can be contacted on-line at classification.enquiries@hmrc.gsi.gov.uk.

tariff code

Ten-digit number used to classify imported goods for the purposes of the Customs duties. The amount of duty depends on the code and country from which the goods are imported. The code fills several volumes, as there are more than 14,000 codes.

tariff income

In relation to means-tested social security benefits, means **assumed yield**. This is the amount a claimant is assumed to be receiving from an amount of capital, such as savings.

tariff quota

Form of EU preference under which limited amounts of specified goods may be imported into the EU and admitted to **free circulation** at a reduced or nil rate of Customs duty and Common Agricultural Policy charges.

The quota may be expressed in terms of weight, volume, number or value.

tariff receipts

Term used in relation to corporation tax and the oil industry. Details are given in Corporation Tax Act 2010 s291 and Income Tax (Trading and Other Income) Act 2005 s225M.

A further definition is provided in Corporation Tax Act 2009 s291A as inserted by Finance Act 2018 s22(3).

Tariff Reform

Political movement from 1903 for the re-introduction of import duties to protect home suppliers.

tariff suspension	Temporary relief from import duty as allowed under Taxation (Cross-border Trade) Act 2018 s12.
TARP	Troubled Asset Relief Programme.
tarpaulin	Large waterproof cloth designed to protect from rain, such as when a building has no roof during construction or repair.
tar sprayer	“Means a vehicle which is constructed or permanently adapted, and used, solely for spraying tar on to the road or for proceeding to or from the place where it is to be used or has been used for that purpose” (Hydrocarbon Oil Duties Act 1979 Sch 1 para 13B).
tart	<p>Colloquial term for someone who keeps changing banks or other financial suppliers to benefit from special offers, such as serial exploitation of interest-free periods on credit cards.</p> <p>The term has stuck, despite its derivation from its meaning of a woman of loose morals. This in turn is a contraction of “sweetheart”.</p>
Tasmania	Island that forms part of Australia.
taste test	For beer duty , when a person tastes beer from experimental brewing without otherwise drinking it (Customs notice 226). Beer duty is not payable for such a test.
tastevin	Small cup used for testing wine.
tat	Colloquialism for oddments of cloth that are of little value. By extension, the term applies to any collection of worthless items.
Tattersalls	Horse market in London founded in 1766 by Richard Tattersall. By extension, the term has come to mean an enclosure at a racecourse and a form of sweepstake.
tau	Nineteenth letter of Greek alphabet shown as T or τ. It was also the Greek numeral for 300.
TAURUS	<p>Unsuccessful attempt at computerising trading on the London Stock Exchange in the 1980s.</p> <p>The name is an acronym for Transfer and Automated Registration of Uncertified Stock. However the word is also Latin for “bull”, which also means a rising stock market.</p> <p>It was designed to replace existing computer systems in the 1980s. A poor specification less to scope creep and increased costs. The system was abandoned in March 1993, and replaced by CREST.</p>
TAVRA	Territorial and Army Volunteer Reserve, replaced by TA in 1979.
TAVRA	Territory Army Volunteer Reserve Association.

TAWB	Through air waybill.
tawdry	Description of poor quality goods. The term is a contraction of St Audrey. At an annual fair on this day on the Isle of Ely, poor quality goods were traditionally sold.
tax	Charge levied by government to fund public expenditure . The word comes from the Latin <i>taxo</i> which means "I estimate". The element of tax is that nothing is received back directly. This distinguishes a tax from a licence or fee, such as a television licence or pensions levy or filing fee. However the distinction is not always clear cut. National insurance, for example, provides a direct link to pension and social security entitlement. Similarly fines are not seen as taxes. Taxes are commonly distinguished between direct taxes paid directly to the tax authorities, and indirect taxes charged paid to someone else, such as a shop. Generally direct taxes are on earnings, and indirect taxes on spending. It is also possible to charge tax in other ways, such as a wealth tax . Some taxes are charged by local authorities, particularly council tax and business rates . In relation to HMRC information powers, the word is defined in Finance Act 2008 Sch 36 para 63(1) which lists taxes. For VAT, "tax means VAT" (Value Added Tax 1994 s96(1)).
tax abatement	Reduction of tax.
taxable amount	This term has a specific meaning for capital gains tax, when it means the amount of chargeable gain less losses and reliefs.
taxable benefit	Term used in relation to taxation of an employment-related loan . The provisions are given in Income Tax (Earnings And Pensions) Act 2003 s205. For PAYE settlement agreements, the term is defined in PAYE regulations SI 2003 No 2682 reg 106(4).
taxable benefits	Social security benefits that are subject to income tax (Income Tax (Earnings And Pensions) Act 2003 s657(3)).
taxable cheap loan	Term used in relation to taxing an employment-related loan as set out in Income Tax (Earnings And Pensions) Act 2003 s175(2).
taxable earnings	Earnings which are subject to income tax. The statutory scope of this definition is contained in Income Tax (Earnings And Pensions) Act 2003 s10(2).
taxable employment and support allowance	"Means any amount of employment and support allowance which is chargeable to tax under Chapter 2 of Part 10 of ITEPA (tax on social security income)" (PAYE regulations SI 2003 No 2682 reg 184A).
taxable incapacity benefit	"Means any amount of incapacity benefit which is chargeable to tax under Chapter 2 of Part 10 of ITEPA (tax on social security income)" (PAYE

regulations SI 2003 No 2682 reg 173).

taxable income elasticity (TIE) The percentage change in total taxable incomes in response to a 1% change in the net-of-tax rate.

This reflects such changes as **mechanistic effect, behavioural effect** and **general equilibrium effects**.

Detailed research of the TIE for Scottish rate of income tax has been published.

taxable income support "means any amount of **income support** which is chargeable to tax under Chapter 2 of Part 10 of **ITEPA** (tax on social security income)" (PAYE regulations SI 2003 No 2682 reg 181).

taxable input tax For VAT, **input tax** incurred on goods and services which are wholly incurred for making taxable supplies. This value includes the taxable element of **residual input tax** from the **partial exemption** method.

taxable jobseeker's allowance "Means any amount of jobseeker's allowance which is chargeable to income tax under Chapter 2 of Part 10 of **ITEPA** (tax on social security income)" (PAYE regulations SI 2003 No 2682 reg 148).

taxable maximum Maximum amount a person may be taxed.

For social security benefits, this is half the amount of benefit (Income Tax (Earnings And Pensions) Act 2003 s668).

taxable payments For PAYE, "means relevant payments reduced by **free pay** or, as the case may be, increased by **additional pay** (where the employee's code is not used on the cumulative basis)" (PAYE Regulations SI 2003 No 2682 reg 2(1)).

taxable person

Employment income

For employment income, this is "the person to whose employment the earnings relate" (Income Tax (Earnings And Pensions) Act 2003 s13(2) or for **taxable specific income**, "the person in relation to whom the income is... to count as employment income" (ibid s13(3)).

Value added tax

For VAT, an importer who is registered for VAT and reimports goods in the course of his business (Value Added Tax Act 1994 s3).

taxable profit (tax loss) "The profit (loss) for a representative upon which income taxes are payable or recoverable, determined in accordance with the rules established by the taxation authorities. Taxable profit equals taxable income less amounts deductible from taxable income" (FRS 102 glossary).

taxable specific income Amount of a specific income which is taxable. The statutory scope of this definition is given in Income Tax (Earnings And Pensions) Act 2003 s10(3).

taxable supply Supply of goods or services which is not exempt from VAT. It bears VAT at the standard rate, reduced rate or zero rate.

It "is a supply of goods or services made in the United Kingdom other

than an exempt supply" (Value Added Tax Act 1994 s4(2)).

taxable turnover

For VAT, total value of supplies which are taxable at the standard rate, reduced rate or zero rate. Exempt supplies are not include.

taxable unit

The person or group of people which is subject to tax.

In general this is an individual person or company or group of companies. One of the few exceptions is **council tax** which is assessed on a **household**. Until 1990, married couples were taxed as a unit. Historically tax was assessed on an area, leaving it to a **tax farmer** to allocate the tax within the individuals in that area.

tax accountant

Person who offers tax advice to clients. Such a person need not be qualified.

Under Taxes Management Act 1970 s20A, HMRC may require a tax accountant to provide papers about a client if the *tax accountant* has been convicted of a tax offence or paid a penalty for assisting in the preparation of a false tax return (under Taxes Management Act 1970 s99).

There are further provisions for a **tax adviser**.

tax accounting arrangements

In relation to a **senior accounting officer**:

“• the framework of responsibilities, policies, appropriate people and procedures in place for managing the tax compliance risk, and
• the systems and processes which put this framework into practice” (Inspector’s Manual at SAOG 24000).

tax-adjusted carrying value

In relation to corporation tax and loan relationship, this term is given a specific meaning in Corporation Tax Act 2009 s465B as inserted by Finance (No 2) Act 2015 Sch 7. The term is also defined in Corporation Tax Act 2009 s702 as replaced by Finance (No 2) Act 2015 Sch 7.

tax adjustment

“Means any adjustment required or authorised by law in calculating profits of a trade for corporation tax purposes” (Corporation Tax Act 2009 s180(5)).

The term is also used in Finance Act 1998 s42(1) and Finance Act 2002 s64(4) to mean any change to accounts as a result of a change in tax law, such as disallowance of a previously accepted expense. The matter is discussed in the Inspectors’ Manual at BIM34095.

tax advantage

Capital gains

For capital gains, “means —

- (a) relief or increased relief from tax,
- (b) repayment or increased repayment of tax
- (c) the avoidance or reduction of a charge to tax or an assessment to tax, or
- (d) the avoidance of a possible assessment to tax.

(Taxation of Capital Gains Act 1992 s16A(2)).

Trading income through third parties

For trading income through third parties, “includes —

- (a) relief or increased relief from tax,
- (b) repayment or increased repayment of tax,

- (c) avoidance or reduction of a charge to tax or an assessment to tax,
(d) avoidance of a possible assessment to tax,
(e) deferral of a payment of tax or advancement of a repayment to tax, or
(f) obligation to deduct or account for tax".
(Income Tax (Trading and Other Income) Act 2005 s23D(3) as inserted by Finance (No 2) Act 2017 s35(2)).

Follower notices and accelerated payments

"The term ... includes:

- relief or increased relief from tax
- repayment or increase in repayment of tax
- avoidance or reduction of a charge or assessment to tax
- avoidance of a possible assessment to tax
- deferral of a payment of tax or advancement of a repayment of tax
- avoidance of an obligation to deduct or account for tax" (HMRC Guidance on Follower Notices and Accelerated Payments. 2014)~

Scotland

In Scotland, "a 'tax advantage' includes in particular—

- (a) relief or increased relief from tax,
(b) repayment or increased repayment of tax,
(c) avoidance or reduction of a charge to tax or an assessment to tax,
(d) avoidance of a possible assessment to tax, and
(e) deferral of a payment of tax or advancement of a repayment of tax. (Revenue Scotland and Tax Powers Act 2014 s65(1)).

Revenue Scotland is given powers to counter such tax advantages in Revenue Scotland and Tax Powers Act 2014 s66.

tax advantaged

Description of a scheme which is subject to beneficial tax provisions.

tax advice

"Giving tax advice covers a variety of activities. It can involve advising a client on a choice afforded to him by legislation, for example, whether to establish a business as a sole trader, partnership or company. It could be advising on the tax implications of buying or selling an asset or business, or advising on succession planning" (Professional Conduct in Relation to Taxation 4.1).

Subsequent paras explain the professional issues.

tax adviser

Person "appointed to give advice about the tax affairs of another person (whether appointed directly by that person or by another tax adviser of his)" (Taxes Management Act 1970 s20B(10)).

In general, HMRC cannot require a tax adviser to produce papers which the adviser owns and which relate to tax advice to a client.

tax agent

Person who represents a taxpayer in dealing with HMRC.

"Tax agents play a vital role in the delivery of the tax system which could

not function without them. They provide invaluable support to many taxpayers to help them comply with their tax obligations" (Consultation Document 2011).

"Someone who is appointed to discuss, correspond or transact with [HMRC] about matters they are responsible for" (HMRC website).

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1.1 HM Revenue & Customs (the Department) estimates that around eight million taxpayers receive help from third parties in completing and filing income tax and corporation tax returns each year. Third parties are responsible for filing around 65 per cent of self-assessed income tax returns, 78 per cent of Corporation Tax returns for small and medium sized enterprises, 33 per cent of end-of-year PAYE returns filed by employers and 43 per cent of VAT returns. There are around 43,000 professional tax agent firms, ranging from international corporations to sole traders representing most of these taxpayers. Others are assisted by the voluntary sector, including unpaid intermediaries who look after the tax affairs of their friends and family. This report covers professional tax agents which we have defined as those authorised and paid to act on another's behalf in their dealings with the Department. The analysis in the report covers self-assessed income tax, PAYE, corporation tax and VAT, although we recognise that tax agents will also assist taxpayers on other taxes.

1.2 Taxpayers may choose to use tax agents for a variety of reasons. Some taxpayers may consider they do not have the knowledge to manage their own tax affairs or want assurance that they are paying the right amount of tax. While others simply want to save time. Some taxpayers need help because their tax affairs are more complex. We estimate that the market for preparing tax returns in the UK is worth around £2.5 billion. Many tax agents also charge their clients for tax advice.

1.3 Tax agents are therefore an important intermediary between the Department and its customers. Most professional tax agents have hundreds of clients, so it is efficient for the Department to engage with these intermediaries to ensure that their customers pay the tax due. Recent research by the Department into tax agents' role in the compliance of small and medium sized enterprises has indicated that good agents have a positive impact, helping their clients get their tax right and reducing errors."

Engaging with Tax Agents, report by National Audit Office. 13 October 2010.

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tax agent (contd)

First, the status of authorised tax agent enables the tax adviser to deal directly with HMRC on behalf of the client taxpayer and is a valuable status for a tax adviser. The client can leave the task of explanation to, and possible negotiation with, HMRC in the hands of a professional adviser who ordinarily is expected both to be expert and experienced in revenue matters and also trusted by HMRC to be competent, reliable and honest. Many taxpayers would be likely to feel that they were at an inequality of arms in seeking to deal directly with HMRC. Ms Lang submitted that a tax adviser, even if he or she did not have the status of authorised tax agent, could win and retain clients by offering no more than the service of assisting in the preparation of tax accounts and of advising the client how to deal with any subsequent HMRC enquiries. It seems to me, however, that any adviser offering such a limited service, and not being able to deal directly with HMRC, would be likely to be at a very substantial competitive disadvantage, and would, other things being equal, find it more difficult to win and retain clients.

Lunn v HMRC [2011] EWHC 240 para 13.

Tax and Prices Index (TPI)	<p>Index produced by the Office for National Statistics from 1987 to 2017, and discontinued after January 2017.</p> <p>Its original aim was to indicate growing consumer spending power when inflation was still high but tax rates were being cut. Little notice was taken of it.</p>
tax and time calculator	<p>Calculator which has additional keys for time and tax functions. The time functions allow it to calculate the time between two dates or times of day. The tax calculator allows some buttons to be pre-programmed to assist in tax calculations, such as calculating VAT.</p>
tăxa pe valoarea adăugată	<p>Romanian: value added tax.</p>
tax appeal	<p>Formal process for contesting a tax demand.</p>
tax arrangements	<p>Arrangements are so described "if, having regard to all the circumstances, it would be reasonable to conclude that the obtaining of a tax advantage was the main purpose, or one of the main purposes of the arrangements" (HMRC Guidance on Follower Notices and Accelerated Payments. 2014).</p>
tax assessment	<p>Calculation by the tax authority of how much tax they believe is payable, as against a figure calculated by the taxpayer.</p>
Tax Assurance Commissioner	<p>Commissioner of HMRC specifically created in 2013 following criticism of the way HMRC negotiated settlements of tax disputes.</p> <p>Details of the role of this Commissioner are set out in an HMRC Notice of 20 December 2013.</p>
taxation	<p>Amount of tax payable in current year.</p>
Taxation	<p>Weekly magazine on tax, produced since 1927. It is currently published by Lexis Nexis.</p>
taxation matters	<p>In relation to judgment debts in taxation matters, "means anything, other than national insurance contributions, the collection and management of which is the responsibility of the Commissioners (or was the responsibility of the Commissioners of Inland Revenue or Commissioners of Customs and Excise)" (Finance (No 2) Act 2015 s52(15)).</p>
taxation of costs	<p>Process by which disputed legal fees are settled by a costs judge or taxing master of the court.</p>
tax at source	<p>System which collects tax automatically, such as PAYE or deduction from share dividends.</p>
tax auditor	<p>Term occasionally used for a person who investigates tax liabilities.</p>
tax avoidance	<p>Legal act of minimising tax liability within the law, as against the illegal acts of tax evasion.</p>

In practice, a distinction is often made between **aggressive tax avoidance** (or artificial avoidance) and other forms. The former seek to apply legislation in a manner that is not intended. HMRC will often take a vigorous approach to countering such schemes, including litigation.

Tax law contains hundreds of **anti-avoidance** provisions to prevent tax being avoided other than as intended.

Avoidance schemes generally must be notified to HMRC under the **disclosure of tax avoidance schemes (DOTAS)** provisions.

Tax avoidance is countered with many specific provisions, including a section of Income Tax Act 2007 from s682.

A general principle was given in Parliament: "The House of Lords made it clear that [the Ramsay and Furniss cases] is an evolving area of law, but the emerging principles do not in any way call in question the tax treatment of covenants, leasing transactions and other straightforward commercial transactions. Nor is there any question of [HMRC] challenging, for example, the tax treatment of straightforward transfers of assets between members of the same group of companies" (Hansard, House of Commons, 10 April 1984 col 254).

There are some specific provisions relating to tax avoidance in Scotland (Revenue Scotland and Tax Powers Act 2014 from s63).

Tax avoidance involves bending the rules of the tax system to gain a tax advantage that Parliament never intended. It often involves contrived, artificial transactions that serve little or no purpose other than to produce this advantage. It involves operating within the letter — but not the spirit — of the law.

(*Tackling Tax Evasion and Avoidance*. HMRC publication March 2015, which distinguishes tax avoidance from tax planning.)

tax avoidance arrangements In the context of related national insurance avoidance, "includes arrangements which enable, or might be expected to enable, a person to obtain an advantage in relation to any tax (within the meaning of Part 7 of the Finance Act 2004)" (Social Security Administration Act 1992 s132A(7)).

In relation to taxation of intellectual property, the term is given a specific definition in Income Tax Act 2007 s917A as inserted by Finance Act 2016 s41.

tax avoidance condition Term used in relation to diverted profits tax, and defined in Finance Act 2015 s86(3).

tax avoidance scheme Scheme designed to give effect to **tax avoidance arrangements**. Such schemes must usually be disclosed to HMRC.

Tax Avoidance Scheme Regulations

The name for Statutory Instrument SI 2004 No 1864 as amended. These require tax avoidance schemes to be notified to HMRC.

tax band Range of incomes, prices or similar which is subject to one rate of tax.

tax base	<p><i>General</i></p> <p>Sources of tax, such as by analysing the taxpaying population according to their marginal rates of income tax.</p> <p><i>Council tax</i></p> <p>The tax base is an assessment by each billing authority of the likely yield of a Council Tax of £1, taking into account the number of properties on which a tax can be levied. The Tax base counts properties as Band D equivalents. For setting Council Tax, the tax base is based on the District or Borough Council's number of Band D equivalent properties within each local authority area, allowing for non-collection of Council Tax and new properties.</p>
tax bracket	Band which attracts a particular tax rate, such as a band of income.
tax break	Opportunity to reduce one's tax legally.
Tax Bulletin	Publication produced by HMRC up to 2006. From 2007 it is replaced by HM Revenue and Customs Briefs .
tax burden	<p>In politics, how the obligation to pay tax falls on the individual or business.</p> <p>There are different ways to classify tax burden.</p> <p>A common method is direct taxation and indirect taxation. The former is where tax is paid direct to the state body (such as income tax, corporation tax and capital gains tax) whereas the latter is paid to someone else to pay to the state (such as excise duties and VAT).</p> <p>Tax burden may also be determined according to how it is calculated. This may be seen as one of four methods:</p> <ul style="list-style-type: none">• proportionate: where tax paid is directly related to amount spent and does not vary by size. VAT is an example• progressive: where tax is paid at a higher rate for larger amounts, such as higher rates of income tax• regressive: where tax is paid at a lower rate for larger amounts, such as employee's national insurance• fixed amount: where tax is paid at a fixed amount, such as vehicle excise duty.
tax calculator	Calculator which has buttons that can be preset for particular calculations, such as calculating VAT on selling prices.
tax capacity assumption	Term used in relation to group mismatch schemes (Corporation Tax Act 2010 s938G).
tax cart	Cart that was once subject to a lower rate of tax.
tax code	<p>Combination of letters and numbers used by an employer to calculate how much income tax must be deducted from wages under the PAYE scheme.</p> <p>In the PAYE regulations, this is known simply as code.</p>
tax collector	Person employed by HMRC who collects taxes.

tax complexity index	Index developed by the Office of Tax Simplification in 2014 to measure how difficult it is to understand and apply particular pieces of tax law.
tax concession	Strictly relaxation from tax rules in circumstances. Such concessions are made by HMRC.
tax consultant	Someone who advises people about their tax.
tax credit	<p><i>Dividends</i></p> <p>The amount of income tax a shareholder is deemed to have paid on receipt of a dividend. These provisions are contained in Income and Corporation Taxes Act 1988 Chapter IV.</p> <p><i>Social security</i></p> <p>A type of means-tested social security benefit.</p> <p>They are largely governed by Tax Credits Act 2002.</p> <p>There are currently just two types of tax credit:</p> <ul style="list-style-type: none">• child tax credit• working tax credit. <p>Tax credits are administered by HMRC.</p> <p><i>Individual savings accounts</i></p> <p>The amount which an ISA manager can reclaim from the Inland Revenue in respect of share dividends received. This is 10% of the amount received until April 2004, when it will no longer be available.</p>
tax credit debt	<p>In relation to PAYE, “means child tax credit or working tax credit that the payee is liable to repay to the Commissioners under or by virtue of an enactment” (PAYE regulations SI 2003 No 2682 reg 14C(4)).</p> <p>The debt may be collected by adjusting the payee’s tax code. This provision applies from 6 April 2013.</p>
tax credit functions	Specific functions of HMRC as set out in Finance Act 1989 s182(2ZA) in relation to disclosure of information.
tax credits	In relation to an anti-avoidance provision on R&D aid, this term is defined in Corporation Tax Act 2009 s1115.
tax date	Date on which a transaction is regarded as having taken place. For VAT, the term generally used is tax point .
tax deductible	Description of an expense or similar item which may be deducted from a figure which is subject to tax.
tax deduction card	Original name of the P11 form when PAYE was first introduced in 1944. It is now generally replaced by a computer file that performs the same function.
tax deed	<p>Agreement between two parties that one will pass to the other the benefit or detriment of any tax issue not settled at the time the deed is made.</p> <p>Such a deed is often made when a business is sold with an outstanding</p>

tax issue. One party agrees either to indemnify the other or to pass on tax refunded. It should be realised that a tax deed has the effect of adjusting the price paid for the business which could itself have tax consequences.

In the case *Teesside Power Holdings Lyd v Electrabel International Holdings BV*. EWHC 33 [2012], it was held that a tax deed agreeing to repay a tax refund does not require payment of interest on that refund in the absence of a specific provision to that effect.

tax deposit certificate

Another name for a **certificate of tax deposit**.

tax disc

Circular piece of paper attached to a windscreen to indicate that vehicle excise duty had been paid for that vehicle. The disc, but not the tax, was abolished in 2015.

Tax Dispute Resolution Board (TDRB)

Board established by the Commissioners for Revenue and Customs to fulfil these roles:

- making decisions and recommendations about proposals for resolving significant tax disputes
- the selection and oversight of cases within the **High Risk Corporates Programme**, and
- serving as the escalation point for cases referred from the Case Boards within Lines of Business>

Further details are given in an HMRC Notice of 20 December 2013.

tax dodge

Colloquialism for any means of reducing a person's liability for tax.

tax dodger

Person who seeks to avoid his or her tax liabilities. The term has been used by HMRC in press releases.

tax domicile

Place which tax law considers to be a person's natural home.

taxed lease

Term defined in Income Tax (Trading and Other Income) Act 2005 s287(4).

Taxes Act 1970

Income and Corporation Taxes Act 1970.

Taxes Act 1988

Income and Corporation Taxes Act 1988.

Taxes Impact Assessment

Statement of how a proposed change to the tax system will impact on different taxpayers.

taxe sur la valeur ajoutée

French for "value added tax", a term that can appear on invoices from Belgium and France.

It was originally a separate French tax which was the basis of VAT as adopted by the European Union.

tax evasion

Illegal act of suppressing or falsifying tax information. This is distinguished from **tax avoidance** that is legal, though this distinction is not always made in practice.

A tax adviser's responsibilities under tax evasion are set out in

Professional Conduct in Relation to Taxation from para 9.1. Broadly, a tax adviser should not be involved with such work other than to assist a taxpayer in rectifying his or her tax affairs.

Tax Evasion Hotline

Free phone service to report suspected tax evasion to HMRC. The number is 0800 788 887. Suspicions may also be reported from the HMRC website.

tax exempt

Exempt from taxation. The term usually applies to bodies exempt from income tax and capital gains tax, such as embassies and certain international organisations.

tax exempt cut-off

Limit on tax exemption because of high income.

tax exemption

For controlled foreign companies from 2012, this term has a specific meaning of excluding business profits from a foreign subsidiary from UK tax if:

- the tax paid in the foreign country is at least 75% of the corresponding UK tax, and
- the foreign country does not operate **designer rates**.

tax exempt organisation

A non-profit or not-for-profit, charitable organisation which, because it engages in charitable activities, does not have to pay taxes. An organisation must submit evidence of its charitable work and fulfil other requirements to receive tax-exempt status.

tax-exempt pension scheme

In relation to **termination payments**, this term is defined in Income Tax (Earnings And Pensions) Act 2003 s407(2).

tax-exempt special savings account (TESSA)

Form of tax-advantage savings account allowed under Income and Corporation Taxes Act 1988 s326A(1).

It was phased out from 1999 when it was replaced by the **individual savings account (ISA)**.

tax expense

For accounting, "the aggregate amount in **total comprehensive income** or equity for the reporting period in respect of current tax and deferred tax" (FRS 102 glossary).

Tax Faculty

A faculty of the **Institute of Chartered Accountants in England and Wales** that is open to members and non-members.

tax farmer

Historically a person responsible for collecting taxes in an area.

tax form

Document which must be completed for the tax authorities.

tax fraud

"A person commits an offence if he is knowingly concerned in the fraudulent evasion of tax or duty by him or another person"
(code of practice COP 9 para 8.1).

tax-free

Description of income or benefit which is not subject to tax.

Tax-Free Childcare	<p>Scheme introduced under Childcare Payments Act 2014, with effect from 2017. It is managed by HMRC.</p> <p>The scheme pays 20% of the cost of childcare to an annual limit of £10,000 a year, thus limiting the payments to £2,000 a year. The parents must be 16 or over, in paid work (which includes self-employment) and not paying tax at the additional rate. Funds are paid into a special bank account and may only be use for qualifying childcare.</p> <p>From 24 November 2017, the scheme is open for children under 6. From 15 January 2018, the scheme is extended to children under 9, and from 14 February 2018 to children under 12.</p> <p>This scheme replaces employer-supported childcare schemes such as workplace nurseries and childcare vouchers.</p> <p>In August 2017, HMRC paid compensation to users who were unable to access the service because of technical problems.</p>
tax functions	<p>Range of duties performed by HMRC as defined in Finance Act 1989 s182(2) in relation to disclosure of information.</p> <p>In relation to data-gathering powers, the term unsurprisingly “means functions relating to tax” (Finance Act 2011 Sch 23 para 47).</p>
tax-geared penalty	<p>Amount of a penalty that relates to the amount of tax. Most tax penalties are now tax-geared, though the term is not widely used. The term can be found in Taxes Management Act 1970 s97A.</p>
tax-generated agricultural expense	<p>Term used in Income Tax Act 2007 s127B (inserted by Finance Act 2012 s10) in an anti-avoidance provision.</p>
tax-generated payments	<p>Payment that does not arise from normal transactions but is generated solely to obtain a tax advantage.</p> <p>The term was used in a ministerial statement on 12 January 2012 in relation to an avoidance scheme that sought to exploit post-cessation tax relief. HMRC takes the view that the scheme is ineffective anyway, but legislation was introduced from 12 January 2012 to put the matter beyond any doubt.</p>
tax harmonisation	<p>Provisions which are designed to introduce common features to two tax systems. The term is applied to tax systems in different countries, such as in different EU countries, or to different taxes which have developed separately, such as income tax and national insurance.</p>
tax haven	<p>Country or place where tax rates are low, and where businesses may be registered to save tax.</p>
Tax Health Plan	<p>Limited tax amnesty offered to doctors and other medical professionals. On 11 January 2010, it was announced that if they voluntarily disclosed any untaxed income by 31 March 2010, the tax penalty would be reduced to 10%.</p>
tax holiday	<p>Period when a business or person is excused from paying tax.</p>

taxi	Motor cab in which a fare-paying passenger is driven. The term originally referred merely to the meter that recorded the charge.
taxi fares	Standard-rated for VAT. Although they are a form of passenger transport , they are not capable of carrying at least 10 passengers as required by Value Added Tax Act 1994 Sch 8 Group 8.
tax incentive	Provision in tax law which relieves the liability to tax in one area to encourage people to do something.
tax increment financing (TIF)	Method of government funding from current projects from its expected tax income stream. TIF is practised in most states of the USA. The Autumn Statement 2011 (para A.33) said that such funding would be considered for the UK.
tax information exchange agreement (TIEA)	Agreement between the UK and another country allowing tax information to be shared between them.
taxing master	Officer of the court who deals with disputes on legal fees. Such a person is now called a costs judge .
taxing officer	Person appointed by each House of Parliament to calculate the costs of moving certain Bills (Parliamentary Costs Act 2006 s1).
tax inspector	Government employee who administers tax returns.
tax intermediary	Accountant or similar person who deals with a person's tax affairs for them. It has the same meaning as tax agent .
tax inversion	American form of tax avoidance. It works by a US company buying a foreign company so that the US company can become non-resident. The law was changed in 2014 to make this arrangement ineffective. The term is also used for a legal arrangement whereby a company relocates, often by merger, to pay less tax. A recent example of tax inversion was the merger of IHS and Markit in 2016.
tax invoice	Invoice containing data as required by VAT law. A customer must generally have a VAT invoice to be able to reclaim the VAT as input tax.
tax it or lose it	Campaign launched by DVLA on 3 November 2017 warning drivers that they could have their cars seized if they are not taxed.
tax law	Body of law which covers taxation.
tax liability	Liability to tax, particularly with regard to imposing VAT on supplies.

tax lock commitment	<p>Commitment made in 2015 that the government would not during that Parliament increase the rates of income tax, VAT or class 1 national insurance.</p> <p>The income tax lock is in Finance (No 2) Act 2015 s1. The VAT lock is in Finance (No 2) Act 2015 s2.</p>
tax loophole	<p>Unintended provision in tax law which can be exploited as a means for avoiding tax.</p>
tax loss	<p>Loss made by a business which may be offset against taxable income, either of the same trade for another period, or against income of another trade.</p> <p>FRS 102 includes a definition within the scope of taxable profit.</p>
taxmageddon	<p>Term coined during the 2012 US presidential election for President Obama's alleged indifference to the fiscal cliff.</p>
taxman	<p>General description of an official who collects tax.</p>
tax month	<p>For PAYE, "means the period beginning on the 6th day of a calendar month and ending on the 5th day of the following calendar month" (PAYE Regulations SI 2003 No 2682 reg 2(1)).</p> <p>The same definition is used for national insurance.</p>
tax morality	<p>Term coined by Inland Revenue chairman Sir Nick Montagu in 2002 to suggest that avoidance of tax is immoral.</p> <p>The term caused some surprise as taxation is entirely statute-based with no concept of fairness or equity. There have been many cases where the tax authorities have successfully prosecuted in cases widely seen as unfair.</p>
tax-neutral transfer	<p>Transfer within a group of companies that does not in itself create a tax liability (Corporation Tax Act 2009 s776).</p>
tax not deducted because of the overriding limit	<p>For PAYE, means "any tax —</p> <p>(a) which is due at the relevant date in accordance with the appropriate tax tables in respect of any taxable payments or local taxable payments to date, but</p> <p>(b) which has not been deducted because of the overriding limit" (PAYE Regulations SI 2003 No 2682 reg 2(1)).</p>
tax obligation	<p>Amount of tax owed by a person or business.</p>
tax office	<p>Local office of HMRC which deals with a person or business's tax affairs.</p>
tax officer	<p>Common name for a person who is legally an "office of Revenue and Customs" (Commissioners for Revenue and Customs Act 2005 s2).</p>
tax on capital income	<p>Tax on the income from the sale of capital assets. It is generally taxed as income.</p>

tax on incomes	Exceptional tax on incomes imposed between 1450 and 1452 to fund war with France.
tax on moveables	An early form of excise duty imposed from 1462 on various moveable items, of which playing cards duty proved to be the most durable.
taxonomy	Classification according to principles. Corporation tax accounts must have details coded according to a taxonomy. (The word has nothing to do with tax.)
tax paid	Description of goods where all necessary duties and taxes have been paid and will not be refunded. "All taxes due on the goods wherever purchased have been paid and have not been, nor will be, refunded" (Customs notice 3).
tax payable	Amount of tax which a person or organisation must pay.
tax payable under the assessment	In relation to PAYE and self-assessment, this is given a specific meaning in PAYE regulations SI 2003 No 2682 s188(7).
taxpayer	Person who pays, or is liable to pay, tax.
taxpayers' charter	Document produced by Inland Revenue and Customs & Excise (as they then were) in 1990 setting out the basic standards taxpayers could expect from them. It gradually lost relevance, and was replaced by a vaguer service commitment, which was itself formally withdrawn in June 2008. The duty to prepare a charter is now set out in Commissioners for Revenue and Customs Act 2005 s16A, effective from 21 July 2009.
tax penalty	Additional sum imposed for non-compliance with tax law.
tax period	Value added tax Period covered by a VAT return. This is usually three months, but can be one month, one year, or sometimes other periods. PAYE The term "means — (a) tax quarter [for simplified deduction scheme] or regulation 70 (quarterly tax periods) applies, or (b) tax month, in every other case" (PAYE Regulations SI 2003 No 2682 reg 2(1)).
tax planning	Process of organising the financial affairs of a person or business to minimise their tax liability. Professional guidance "Tax planning is legal and taxpayers are entitled to enter into transactions that reduce tax or to take interpretations of legislation that HMRC may not agree with. If HMRC wishes to challenge a particular transaction or interpretation, it may amend the return or issue an assessment accordingly.

The client may then appeal against HMRC's decision through the tax tribunals and courts if necessary with the associated costs and disruption. Ultimately only the courts can determine whether a particular piece of tax planning is legally effective or not." (Professional Conduct in Relation to Taxation para 4.3 extract).

HMRC guidance

"Tax planning involves using tax reliefs for the purpose for which they were intended, for example, claiming tax relief on capital investment, or saving via ISAs for retirement by making contributions to a pension scheme. However, tax reliefs can be used excessively or aggressively, by others than those intended to benefit from them or in ways that clearly go beyond the intention of Parliament" (*Tackling Tax Evasion and Avoidance*, HMRC publication of March 2015, which seeks to distinguish tax planning from tax avoidance.)

tax point

Date which fixes the liability for tax, particularly VAT. This is generally the earlier of the dates where the supplier raises an invoice and the customer pays for the goods.

tax pool

Record of income tax paid by the trustees of a **discretionary trust** plus any tax deducted at source on income they received. This pool is reduced by the tax credit on income distributed to the beneficiaries. If the balance in the tax pool is less than the tax credit, the beneficiaries must pay the balance to HMRC.

The 10% tax credit on dividends is *not* included in the pool. Although the tax paid *by the trustees* is included in the pool. This is usually 32.5% (42.5% less 10% tax credit).

The income tax treatment of a trustees' tax pool is given in Income Tax Act 2007 s497.

tax position

This term is specifically defined for Scottish tax thus:

"In this Part unless otherwise stated "tax position", in relation to a person, means the person's position as regards any devolved tax, including the person's position as regards—

- (a) past, present and future liability to pay any devolved tax,
- (b) penalties and other amounts that have been paid, or are or may be payable, by or to the person in connection with any devolved tax, and
- (c) claims, elections, applications and notices that have been or may be made or given in connection with the person's liability to pay any devolved tax, (and references to a person's position as regards a particular tax (however expressed) are to be interpreted accordingly)." (Revenue Scotland and Tax Powers Act 2014 s120(1)).

tax presence

For PAYE, the state of an employer being in the UK and therefore obliged to operate PAYE.

tax pressure

Financial difficulties faced by a person or business because of the amount of tax imposed on them.

tax quarter	<p>For PAYE, “means any of the following (inclusive) periods — 6th April to 5th July, 6th July to 5th October, 6th October to 5th January, 6th January to 5th April” (PAYE Regulations SI 2003 No 2682 reg 2(1)).</p>
tax rates	<p>The various percentages announced by the government as being applicable to taxable amounts.</p> <p>Rates are applied on either a slice basis (eg income tax), where slices of income are subject to different rates, or on a slab basis (such as stamp duty land tax) where a single rate is applied to the whole amount once a threshold has been reached.</p>
tax rebate	<p>Refund of tax which has already been paid.</p> <p>Under the PAYE system, tax rebates are automatically provided during the tax year. This can arise when a person had little or no income earlier in the tax year.</p>
tax reduction	<p>Reduction in income tax given in addition to person allowances and other reliefs for such things as Enterprise Investment Scheme and maintenance payments (Income Tax Act 2007 s26).</p>
tax reduction conundrum	<p>The apparent phenomenon that a reduction in any progressive tax favours the rich over the poor.</p> <p>For example a rich man pays £100,000 income tax at rate up to 50%. A poor man pays £1,000 tax at rates up to 20%.</p> <p>The government increases the personal allowance by £1,000. This saves the rich man £500 in tax and the poor man £200 in tax. Thus the increase could be represented as favouring the rich rather than the poor.</p> <p>In reality, it does not. This is simply progressive taxation seen in reverse. Despite the obviousness of this, politicians still use this specious argument whenever tax rates are reduced.</p>
tax relief	<p>Allowance which may be set against taxable income.</p>
tax relief certificate	<p>“A certificate issued by the CDFI in respect of the investment which is in the form specified by the Commissioners for Her Majesty’s Revenue and Customs” (Income Tax Act 2007 s348(1) and Corporation Tax Act 2010 s229(1)).</p> <p>This relates to eligibility for community investment tax relief.</p>
tax relief grant	<p>Grant made by the government to a housing association to relieve tax otherwise payable. The provisions are set out in Housing Act 1988 s54.</p>
TAXREP	<p>Representation on tax made by the Institute of Chartered Accountants in England and Wales to HMRC.</p>

tax repayment	In relation to charitable giving, means a repayment of income tax or capital gains tax (Income Tax Act 2007 s429(5)).
tax reserve certificate	Receipt issued by the government in respect of money paid. This may be used to settle a tax liability.
Tax Residence Indicator Tool	An application on HMRC's website to assist taxpayers in determining whether they are UK-resident under the statutory residence test . The tool was updated on 20 December 2013.
tax results for other parties	Term used in Guidance Notes on bank payroll tax . Its context requires a bank to consider the tax consequences of other parties so as not to avoid tax contrary to the intentions of Parliament .
tax return	<p>Information which a taxpayer must complete regarding their liability to pay tax.</p> <p>In relation to professional conduct by tax advisers, the term "includes any document or online submission of data that is prepared on behalf of the client for the purpose of disclosing to any taxing authority details that are to be used in the calculation of tax due by a client or a refund of tax due to the client for other official purposes..." (Professional Conduct in Relation to Taxation para 3.1). The para goes on to give examples.</p> <p>"A letter giving details in respect of a return or as an amendment to a return including, for example, any voluntary disclosure of an error should be dealt with as if was a return" (para 3.2, <i>ibid</i>).</p>
tax revenue	Amount of income the government receives from taxation.
tax schedules	<p>Set of rules determining how to calculate the taxable amount of a source of income.</p> <p>Traditionally income tax and corporation tax were collected in up to six schedules indicated by the letters A to F according to the source of the income.</p> <p>These schedules were generally introduced in 1803 and finally abolished for income tax in 2005, and for corporation tax in 2009.</p> <p>In outline, the income tax schedules were:</p> <ul style="list-style-type: none">• schedule A (1803-2005) land and buildings;• schedule B (1803-1988) farming, later woodlands;• schedule C (1803-1996) public securities;• schedule D (1803-2005) trading etc;• schedule E (1803-2003) employment;• schedule F (1965-2005) share dividends. <p>Schedules D and E were further divided into cases.</p>
tax shelter	Arrangements where investments may be made without paying tax that would otherwise be due. Pension schemes are a common tax shelter.
tax shift	When the liability to account for VAT moves from the supplier to the customer, as applies under reverse charge accounting.

tax system	Methods used by the government to impose and collect tax.
tax tables	For PAYE, “means the tax tables prepared by the Board of Inland Revenue under section 685 of [Income Tax (Earnings And Pensions) Act 2003]” (PAYE Regulations SI 2003 No 2682 reg 2(1)).
tax threshold	Point at which a liability to pay tax arises.
tax transparent fund (TTF)	Form of investment to be introduced in 2012. The tax charge is imposed on the investor rather than on the investing body.
tax treaty	Agreement between the UK government and a foreign government that deals with taxes which both countries may tax under their system. The treaty contains provisions to avoid double taxation .
tax under consideration	“The amount of tax or duty attributable to a dispute on an individual risk after taking into account the impact of losses or other reliefs” (HMRC Notice of 20 December 2013).
tax value	<p><i>Value added tax</i></p> <p>Amount on which VAT is due. This is usually the price charged for the supply, but there are some circumstances when market value has to be substituted. The term is explained in VAT notice 700.</p> <p><i>Corporation tax</i></p> <p>In relation to the disregard of tax avoidance schemes, this term is defined in Corporation Tax Act 2010 s269CK(6).</p>
tax volatility	The extent to which a country's tax income is vulnerable to small changes, such as being dependent on a few taxpayers. In 2018, the Irish Republic considered its corporation tax income to be volatile.
tax warehouse	Warehouse authorised by HMRC for goods to be deposited before payment of excise duty. There are some special provisions for premises for storing oil.
tax wedge	<p>The difference between the cost of employing a person and the amount that person receives after tax and national insurance. This is expressed as a percentage of labour costs.</p> <p>Suppose an employee is paid £100. The employer pays 13.8% national insurance, and the employee pays £20 tax and £12 national insurance. The employee has cost £113.80 and receives £68. The tax wedge is just over 40%. Tax reliefs will tend to reduce this percentage.</p>
TaxWatch	Website that provides details of companies that avoid paying tax.
tax week	<p><i>Definition</i></p> <p>Period of seven days which starts on 6 April and every seventh day therefore. It is used for PAYE.</p> <p>As a year comprises 365 or 366 days, there are always one or two days outside the 52 tax weeks. These are known as week 53 for which special</p>

provisions apply.

PAYE definition

For PAYE, the term “means 6th April to 12th April (inclusive) and each successive period of 7 days except that the final week in a tax year (“Week 53”) is just the last day of the year (or last 2 days in a leap year)” (PAYE Regulations SI 2003 No 2682 reg 2(1)).

National insurance definition

For national insurance, “one of a series of successive periods in a tax year beginning with the first day of that year and every seventh day thereafter, the last day of a tax year (or, in the case of a tax year ending in a leap year, the last two days) to be treated as a separate tax week” (Social Security Contributions and Benefits Act 1992 s122(1)).

tax year

Definition

Period which runs from 6 April to following 5 April (Income and Corporation Taxes Act 1988 s2(2)).

For income tax, “a year for which income tax is charged” (Income Tax Act 2007 s4(2)).

For PAYE, “means a year for which any Act provides for income tax to be charged” (PAYE Regulations SI 2003 No 2682 reg 2(1)).

Value added tax

For VAT, a period of 12 months which is covered by VAT returns. The taxpayer usually has the choice of this year ending on 31 March, 30 April or 31 May.

History

Until the 12th century, the year started on 25 March, **Lady Day**. In 1752, Britain switched from the Julian to the Gregorian calendar which led to 11 days being lost. These days were added to Lady Day to make up the year. After a further day was added in 1800, 6 April has been the start of the tax year ever since.

Taylor report

Report produced on 11 July 2017 by a group chaired by Matthew Taylor about the gig economy. Its main proposal was to introduce a new category of worker called a dependent contractor.

Taylor rule

In economics, a monetary policy rule that stipulates central bank interest rates. A key element is that each additional 1% inflation should prompt an increase of more than 1% in interest rates.

The rule was first proposed by US economist John B Taylor (1946-) in 1993.

TB

- (1) Tax Bulletin.
- (2) Tuberculosis.
- (3) Treasury Bill.
- (4) Trial Balance.

TBA	To be advised.
TBC	Abbreviation: to be continued.
TBE	Territorial business exemption.
TBM	Trust for a bereaved minor.
TBS	Teachers Benevolent Society.
TBTF	Too big to fail.
TC	Tax cases. This is the citation used in two series of tax cases: (1) From 1875, it is the series of official cases published by HMSO . The citation takes the form <i>65 TC 421</i> which means volume 65 of the series, starting on page 421. (2) From April 2003, this is also the citation for First Tier Tribunal decisions on cases regarding all taxes. The citation takes the form of TC followed by a number. (3) Training and Competence sourcebook, published by the Financial Services Authority. (4) Travellers' Cheques.
TCA	Technician in Costing and Accounting.
TCB	Thames Conservancy Board.
TCEA	Tribunals, Courts and Enforcement Act 2007.
TCD	Trinity College, Dublin.
TCF	To be called for, in parcel delivery service.
TCEx	Tariff Commune Express consignment note.
TCGA	Taxation of Capital Gains Act 1992.
T-charge	Toxicity charge , imposed in the low emission zone in London.
TCLS	Trivial commutation of lump sum, of a pension.
TCM	Prefix for HMRC's tax credits manual.
tCO₂e	Tonne of carbon dioxide equivalent. This is the unit of measure for the emission reduction units as set out in Kyoto Protocol Article 6.
TCP/IP	Transmission Control Protocol/Internet Protocol.
TCRM	Prefix for HMRC's manual on tax compliance risk manual.

TCS	Tariff Classification Service.
TCSP	Trust or company service provider.
TD	(1) Teachta Dala. Gaelic: Deputy to the Dail (2) Technical drawing.
TDA	(1) Taking and driving away, a motoring offence. (2) Training and Development Agency.
TDE	Telephone data entry.
TDMA	Time division multiple access, a digital transmission system used in communication devices such as mobile telephones.
TDO	Training Development Officer.
TDP	Trainer Development Programme.
TDR	Total of disposal receipts (Capital Allowances Act 2001 s55(1)(b)).
TDRB	Tax Disputes Resolution Board.
TDSI	Tax deduction scheme for interest.
TDV	For capital allowance, total of any disposal values (Capital Allowances Act 2001 s457(1)(b)).
TDX	Debt collection company. In August 2014, TDX won a contract from HMRC to collect tax debts. The company is owned by Equifax .
TE	In formula for non-UK pension income, taxable earnings (Finance Act 2004 Sch 34 para 10(2) as inserted by Finance Act 2014 s45(2)).
tea	Value added tax Tea is specifically zero-rated in Value Added Tax 1994 Sch 8 Group 1 Items Overriding The Exception No 4. Group 1 zero-rates food. Excepted Item 3 excepts beverages, which are generally standard-rated. Overriding Item reinstates the zero-rating. Further guidance is given in VAT Notice 701/14. Excise duty Tea ceased to be subject to excise duty in 1962. Income tax benefit Tea provided free or subsidised at work is not a taxable benefit (Income Tax (Earnings And Pensions) Act 2003 s317).
Teach-a-steach Alba	Gaelic: Revenue Scotland (Revenue Scotland and Tax Powers Act 2014 s2(2)).

tea and sympathy	Simplest form of counselling. It involves sympathetic listening and chatting with someone, such as over a cup of tea.
tea break	Break in the working day for refreshment, such as a cup of tea.
tea duty	Customs duty charged from 1660 until 20 th century.
tea licence	A licence charged between 1780 and 1869 to retailers of tea, in addition to the tea duty introduced in 1660. The licence allowed the retailer also to sell coffee, cocoa, chocolate and pepper.
team player	Human resources term for a worker who performs well as a member of a team, such as by following orders and co-operating with colleagues.
TEC	Training and enterprise council.
techMARK	Trade name for a Stock Exchange market for new companies.
technical	(1) In finance, description of those internal factors which influence a market, such as volume of sales and market analysis, as against external factors such as inflation and politics. (2) Relating to a machine, process or procedure.
technical analysis	In investing, the study of the price movements and volumes of securities.
technical correction	In investing, when a share price moves up or down because it is realised that its previous price was too high or too low.
technical decline	Fall in share prices for reasons explained by technical analysis .
technical enemy	Country that was regarded as an enemy because it has been occupied by an enemy, such as Belgium in the second world war. The term is used in relation to the seizure of enemy assets.
technical provision	In relation to non-resident insurance companies, "means each of the following — (a) provision for unearned premiums, (b) long term business provision (c) claims outstanding (d) provision for bonuses and rebates (e) provision for unexpired risks (f) technical provisions for linked liabilities, (g) deposits received from reinsurers; and in the case of the items listed in sub-paragraphs (a) to (f), the amount to be brought into account is the amount by which the gross amount exceeds the reinsurance amount" (Non-Resident Insurance Companies Regulations SI 2003 No 2715 reg 3(4)).

technical provisions	(1) Term used in Pensions Act 2004 s222(2) to mean the amount required on the basis of an actuarial calculation of the liabilities of a pension scheme. (2) Term used in Finance Act 2007 Sch 11 para 3(7) in relation to detailed tax provisions for insurance businesses.
technical reserves	In insurance, assets which an insurance company maintains to meet claims.
technical support	Term used by software providers for a telephone service (often at a premium rate) which users can help for help in using the software.
technology	“Means information (including information comprised in software) that is capable of use in connection with: (a) the development, production or use of any goods or software; (b) the development of, or the carrying out of, an industrial or commercial activity or an activity of any other kind whatsoever” (Export Control Act 2002 s2(6)).
technology butler	Person employed in some hotels to assist guests with computer-related problems.
Teddy Bear	Code name for Labour government proposal of 2003 to split Treasury into a Ministry of Finance and a separate Office of the Budget and Delivery, as a means of limiting Gordon Brown's political influence. “The name Teddy Bear was chosen so as not to give away the slightest hint of its true meaning” (<i>The Third Man, autobiography of Peter Mandelson, p369. Published by Harper Collins</i>).
teddy bear hug	A gentle bear hug .
TED spread	Difference between the value of three-month US Treasury Bills and the value of three-month Eurodollar futures contracts.
TEE	Trans-Europe Express.
teeming and lading	Attempt to manipulate financial records to conceal something, such as a fraud or a decline in sales. The method involves creating false records in one period which are corrected in the next.
teenager	Person aged between 13 and 19.
Tees Valley 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).
teetotaler	Person who abstains from all alcoholic drink. It dates from 1833 to distinguish those who permitted drinking in limited circumstances.

TEFL	Teaching English as a foreign language.
TEFU	“The Treaty on the Functioning of the European Union” (European Union Act 2011 s1(3)).
tehsil	In India, a geographical division for tax and some other administrative purposes.
TEI	Total employment income. This abbreviation is used in Income Tax Act 2007 s496B.
tein	One hundredth of a tenge, currency of Kazakhstan.
teind	Scottish term for a tithe, or to take a tithe.
telechir	Robot controlled by an operator who has feedback from electronic services such as television cameras.
telecommunication	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.
telecommunications wholesale	From 1 February 2016, a reverse charge for VAT is introduced for businesses wholesaling telecommunication services. Further guidance is given in HMRC Brief 1 (2016). This should be read with VAT Notice 735.
telecommuting	Term sometimes used for homeworking , particularly when the person uses equipment such as e-mails, telephones and webcams to communicate with colleagues at a remote location.
teleconference	Meeting between physically separated people by means of visual, audio and (possibly) computer links.
telecottage	Building or room in a rural area with equipment for teleworking.
telefax	Alternative name for a faxed document.
telegram	A message which could be sent by telex to a local post office who could then hand-deliver it to any address. The first telegram service in the UK started in 1845 though the service did not become common until the 1910s. The service was suspended in 1943 because of the war. In 1981, the telegram service became part of British Telecom. BT discontinued the telegram service on 31 July 2003. In the USA, Western Union sent its last telegram in February 2006, having started the service in 1851. In 2003 TelegramsOnLine took over the BT service. Telegrams are now

only used for festive and fun occasions.

telegraph	Early form of electronic messaging, used from 1835. Electrical signals were sent down wires by railway lines to point to letters on a dial.
telegraphic address	Shortened form of address for use for telegrams and telegraph messages.
telegraphic transfer	Transfer of money between bank accounts in accordance with a telegraphed message.
telematics	Transmission of computer data over long distances.
teleological	<p>Description of system where phenomena and rules are explained according to the purpose.</p> <p>European tax law tends to be teleological whereas English tax law is literal. That means that European law is interpreted according to its purpose whereas English law is interpreted according to the literal meaning of the words and sentences.</p>
Teleos	<p>European case of 2007 on the evidence needed to demonstrate that goods have been exported. The case is <i>R (on the application of Teleos plc) v HMRC (C-409/04)</i>.</p> <p>The case established that a supplier should not be unduly penalised for relying on seemingly legitimate proof of export that later proved to be false. HMRC clarified its interpretation of this case in Brief 61/07.</p>
telephone	<p>Instrument for relaying sound, particularly conversation, over a long distance.</p> <p>HMRC has published statement of practice SP1/2010 on its policy in doing business by telephone. This statement was amended on 7 February 2012.</p>
telephone banking	<p>Banking services which may be transacted by telephone without the need to visit bank premises.</p> <p>It is possible to pay tax using telephone banking.</p>
telephone betting	Competition where the participant's stake is paid by calling a premium telephone number. As the payment is not to the competition organiser, this is not regarded as a stake, and so no betting duty of any kind is payable.
telephone data entry (TDE)	Means of entering data on to a computer using a telephone. This is used for such purposes as making returns of monthly business survey and for confirming on-line banking transactions.
telephone exchange	Central office where telephone calls are connected.
telephone number	Series of digits that accesses a particular telephone. In the UK, the issue of numbers is overseen by Ofcom. Typically a telephone number comprises a series of digits starting with 0 representing the area code, followed by further digits representing the particular telephone within the area. Most UK telephone numbers now have 9 or 10 digits.

All or some of the area code may not need dialling from a telephone in the same area. For example the 020 element of a London telephone number is not dialled from another number in the London area.

Additional charges may be incurred if dialling a number with a remote area code.

Since 2001, Ofcom has adopted the following convention for the first digits of numbers:

- 01: geographic area codes
- 02: geographic area codes (introduced in 2000)
- 03: nationwide non-geographic codes charged at the same rate wherever the call originates
- 04: not currently used
- 05: corporate numbering and voice over Internet protocol (VOIP) numbers. 0500 is used for freephone numbers
- 06: is reserved for personal numbering
- 07: mobile phones. 070 is used for personal numbering. Pagers use 076, wifi uses 079112 and 079118
- 08: freephone and special services, including 084 and 087 numbers charged at local rates
- 09: premium rate services where some of the cost is paid to the person being called.

telepoint	Device located in a public place that activates portable cordless telephones to be used.
teleprinter	Remote printer that produces documents sent by telephone or telegraph.
telesales	Selling goods from telephone calls.
teleshopping	Electronic service using a telephone, computer or similar that allows the use to buy goods.
teletext	Computer-based information retrieval system.
telethon	Long television programme designed to raise funds for charity.
Teletype	Trade name for a form of teleprinter.
television	<p>A television set is standard-rated for VAT.</p> <p>Specific excise duties applied to televisions and TV advertising before 1964.</p> <p>For shared transmission services, the tax provisions are explained in Finance Act 1991 s78. The capital gains tax provisions are explained in Taxation of Capital Gains Act 1992 s267.</p> <p>In relation to corporation tax relief for television programmes, "television includes the internet" (Corporation Tax Act 2009 s1216AA(3)).</p>
television advertisement duty	Excise duty charged on television advertisements from 1961 to 1964.

television duty Excise duty charged on television sets from 1957 to 1963.
This was in addition to purchase tax charged until 1973, and VAT that has been charged since 1973.

television entertainers The tax and national insurance positions for various people who appear on television was considered in the case *ITV Services Ltd. TC 836*. As a result of this case, HMRC issued Brief 10/11.

television guide The publication of a television guide by a television channel is now generally considered to be part of the standard-rated broadcasting service and not a separate supply of a zero-rated publication.

Such a separate ruling had been given in the case *British Sky Broadcasting Group plc [1999] VTD 16220*, but was not followed in the case *The Angel Foundation Ltd [2003] VTD 18818*.

television licence Licence required to receive television signals. It collects funds that are paid to the BBC to provide public subscription broadcasting, unlike commercial television that relies on advertising. The licence is therefore a **hypothecated** tax. Its evasion is a criminal offence.

The licence was introduced as a **radio licence** on 1 January 1927, the first in the world. The television licence was first issued in 1946 at £2. The higher rate for colour televisions was introduced in 1968, and remains. The radio licence was abolished in 1971.

It is currently collected under Communications Act 2003.

More details are given under **TV licence**.

television programme In relation to corporation tax relief, the term "means any programme (with or without sounds) which —

(a) is produced to be seen on television, and

(b) consists of moving or still images or a legible text or of a combination of those things" (Corporation Tax Act 2009 s1216AA(2)).

television production

Corporation tax

Details of tax relief are set out in Corporation Tax Act 2009 from s1216A as inserted by Finance Act 2013 s36 and Sch 16.

VAT flat rate scheme

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

From	Percentage
4 January 2011	13%
1 January 2010	11.5%
1 December 2008	9.5%
1 January 2004	10.5%

television production activities In relation to corporation tax relief for certain television programmes, this term is defined in Corporation Tax Act 2009 in s1216AF.

television production company

In relation to corporation tax relief for certain television programmes, this term is defined in Corporation Tax Act 2009 from s1216AE.

television relief

Enhanced tax relief provided for the costs of making certain television programmes.

The relief is given under Corporation Tax Act 2009 s1216CE(1) as amended by Finance Act 2015 s39. This also extends the relief to children's television programmes.

television tax relief

Tax relief given for certain television programmes as set out in Corporation Tax Act 2009 from s1216C.

teleworker

Worker who works from home or other remote location using telephone and online computer facilities.

telex

Means of transmitting messages down a telephone line to a terminal similar to a typewriter.

It was developed in the 1920s and started being used from 1933. It provided a simple but reliable means of sending written messages including over long distances. The message could either be typed directly or be pre-written on to a strip of paper with patterns of holes denoting each character. This saved the cost of a connected call. About 66 words a minute could be sent.

In the UK, telex numbers were usually five digits.

Telex is still used, but has been largely replaced first by fax machines and then email.

teller

(1) Person who counts the votes at an election.

(2) Historically one of four officers of the Exchequer who received all money due to the king.

telling, giving and helping

Three elements of **disclosure** in a tax investigation.

The term was used in a consultation document published in July 2011 about dishonest tax agents.

Tell Us Once

Heading for Welfare Reform Act 2012 s135.

The section contains provisions designed to avoid duplication of information from social security claimants.

telnet

System of remote access between computers by means of telecommunications.

telos

Aim, purpose or ultimate end.

Telstar

First communication satellite, launched on 10 July 1962.

TEM

Transmission electron microscope.

temp	Common term for a temporary worker, particularly one supplied by an employment agency, Since 1975, a temp is subject to PAYE income tax and class 1 national insurance as if the temp were an employee of the agency.
Temple	Site between Fleet Street and the River Thames in London. Since 12 th century this has been occupied by lawyers. Since 1609, there have been two Inns of Court , the Inner Temple and Middle Temple.
tempora mutantur	Latin: the times are changed. This is a saying of the 16 th century Latin poet Nicholas Borbonius.
temporarily abroad	For the purpose of income tax and residence, the provisions are given in Income Tax Act 2007 s829.
temporarily imported vehicle	For Customs, this is a vehicle that is brought over for use in the UK for no more than six months. Such a vehicle is generally exempt from VAT and Customs duty. If the vehicle complies with the licensing and registration requirements of its home country, it is generally excused from vehicle excise duty also. If the vehicle bears a registration plate that is not identifiable in the UK, it may be necessary to obtain a temporary registration mark, through the DVLA or RAC.
temporarily non-resident (TNR)	For savings and investment income, this term is used in Income Tax (Trading and Other Income) Act 2005 s368A.
temporal condition	One of two conditions that must be met for a connected flight to be regarded as part of one journey for the purposes of air passenger duty. The other condition is the ticketing condition . The temporal condition restricts the number of hours between flights. Details of this are set out in Customs notice 550.
temporary absence	A period during which a member of a group insurance scheme can be away from work and continue to be covered by the insurance.
temporary accounts	In bookkeeping, accounts that exist in the current accounting period and have yet to be closed for inclusion in financial statements.
temporary admission (TA)	When goods are brought into the UK for a short period, such as a picture to be exhibited. TA is a duty relief procedure that avoids payment of Customs duty.
temporary building	For VAT purposes, the supply of a temporary building is generally regarded as a standard-rated supply of a service or goods, and not as an exempt supply of an interest to occupy land. A recent case on what constitutes a temporary building is <i>Sibcas Ltd</i> [2017] All ED 207 (Jul). UKUT 298.

temporary deemed employee	<p>When someone is sufficiently under the control of an employer to be regarded as an employee, creating a vicarious liability for the employer.</p> <p>The term was used by the Court of Appeal in the case <i>Hawley v Luminar Leisure plc [2006]</i>. The case concerned a door supervisor of a night club who attacked a customer.</p>
temporary duty suspension	<p>Arrangement made by the European Union to allow manufacturing and processing industries to compete with non-EU producers of similar goods. Imported components or raw materials for further processing have their import duties partially or completely suspended. It is usually a condition that such goods are not available in sufficient quantities within the EU.</p>
temporary event notice	<p>Form of licence needed from local authority to sell alcohol at a local function such as a church fete.</p>
temporary event notice	<p>Notice which a local authority issues for events which require a short-term licence, such as a beer tent at a fete (Licensing Act 2003 s100). Such a notice is issued routinely subject to conditions and no objection from the police.</p>
temporary hard standing	<p>Area near a landfill site designed to allow landfill operations to take place. Material so used is not subject to landfill tax.</p>
temporary importation	<p>A reduced rate, often zero, of customs duty is payable for temporary imports of certain defined items, such as material for an exhibition.</p>
temporary importation rule	<p>Provision that provides relief under the remittance basis. The rule is defined in Income Tax Act 2007 s809Z4.</p>
temporary non-resident	<p>Person who is resident for a tax year in which he returns to original country and who was not resident for the previous year. Their capital gains tax liability is set out in Taxation of Capital Gains Act 1992 s10A.</p>
temporary site haulage road	<p>Road constructed from waste material to give access to a landfill site. Material so used is not subject to landfill tax.</p>
temporary storage	<p>For Customs duty, there is a special procedure for goods so imported.</p>
temporary storage facility	<p>In relation to beer duty, this is premises within five kilometres of the brewery of other registered premises where beer may be stored to meet a seasonal demand, as explained in Customs notice 226.</p>
temporary storage operator	<p>Person who is allowed to provide temporary storage for imported goods without paying Customs duty. A person needs HMRC approval. Details are given in Customs notice 199A.</p>
temporary tax	<p>"A tax which has been imposed, or renewed or reimposed, for a limited period not exceeding eighteen months, and was in force or imposed during the previous financial year" (Provisional Collection of Taxes Act 1968 s2(2)).</p>

temporary workplace	<p>In relation to travel in employment, “means a place which the employee attends in the performance of the duties of the employment —</p> <ul style="list-style-type: none">(a) for the purpose of performing a task of limited duration, or(b) for some other temporary purpose” <p>(Income Tax (Earnings And Pensions) Act 2003 s339(3)).</p> <p>This expression is further clarified in following sub-sections.</p> <p>Travel to a temporary workplace is generally tax deductible for up to 24 months. The limit was 12 months before 6 April 1998.</p>
tempore	Latin: in the time of.
tempus fugit	Latin: time flies.
tenancy	<p>Agreement by which one person pays to occupy property belonging to another.</p> <p>In relation to a tied pub, a statutory definition is given in Small Business, Enterprise and Employment Act 2015 s70(2).</p>
tenancy deposit	<p>“In relation to a tenancy, means any money intended to be held (by the landlord or otherwise) as security for —</p> <ul style="list-style-type: none">(a) the performance of any obligations of the tenant arising under or in connection with the tenancy, or(b) the discharge of any liability of the tenant arising under or in connection with the tenancy” <p>(Housing and Planning Act 2016 s62).</p>
tenancy for life	Arrangement where a person is tenant for life . Such arrangements are being phased out by Housing and Planning Act 2016 Sch 7.
tenancy strategy	Strategy that every local authority must prepare and publish (Localism Act 2011 from s150).
tenant	Person who pays money to occupy property belonging to another, known as the landlord .
tenant at will	In law, a tenant who may be dispossessed of the tenancy at any time at the will of the landlord or lessor.
tenant for life	<p>Person who holds an estate for life, and who has wide powers of the estate under Settled Land Act 1925.</p> <p>Such tenancies are phased out under provisions of Housing and Planning Act 2016 Sch 7.</p>
tenant for years	Person who holds an estate for a stated term of years.
tenant from year to year	Person who holds an agricultural estate that may be determined at half a year's notice by either side (Agricultural Holdings Act 1986).
tenant in chief	Person who held land directly from the Crown.

tenant in common	<p>One of the two common means by which two or more people co-own land and property. This includes property owned by a married couple or civil partnership.</p> <p>A tenant in common owns a separate share of the property which may be left in the person's will. This must be distinguished from a joint tenancy.</p>
tenant pur autre vie	Tenant during the life of another person.
tenant right	Rights of a tenant of an agricultural property to compensation on the end of the tenancy in respect of unexhausted improvements on the holding (Agricultural Holdings Act 1986).
tenants under taxed leases	Their tax position is explained in Income Tax (Trading And Other Income) Act 2005s60.
ten bob note	Colloquialism for ten shilling note , now replaced by the 50p coin.
tender	<p>(1) Offer to provide goods or services for a stated price, and often subject to stated conditions.</p> <p>(2) Offer money in the form of bank notes and coins for payment.</p>
tender evaluation	<p>Procedure for considering tenders submitted for work. There are various methods in use.</p> <p>Automatically accepting the lowest tender is not advisable as there may be other factors, such as reliability, adequacy of resources, experience and charges for additional services which need to be considered. A common method is to provide weighting of some form. In such schemes the tender price typically represents around 65% of the factors.</p>
tenement	Dwelling which is part of a large building of such dwellings.
tenendum	Latin: to be held. Clause in a conveyance which states that land is to be held by the grantee.
tenge	<p>(1) Currency of Kazakhstan, comprising 100 tein.</p> <p>(2) One hundredth of a manat, currency of Turkmenistan.</p>
Tenn	Abbreviation: Tennessee, state of USA.
tenner	Colloquialism for a ten-pound note.
tennesi	One hundredth of a manat, currency of Turkmenistan.
tennis	<p>A tennis player may retire on a personal pension at the age of 35, provided:</p> <ul style="list-style-type: none">• the person had the right by 5 April 2006,• the right was unqualified in that it needed no other person to consent,• the right was set out in the governing documentation of the pension scheme by 10 December 2003. <p>(SI 2005 No 3451, as explained in the Inspector's Manual at RPSM 03106035).</p>

This relaxation of pension rules also applies to players of real tennis and table tennis.

ten pence

Silver coin minted from 1968 as a replacement for the florin worth two shillings. Its diameter was reduced from 24mm to 18mm in 1990. It is worth ten pence or one tenth of a pound.

The coin is made of nickel-plated stainless steel from 2012, prior to which it was made from cupro-nickel.

The term is sometimes given as a single word.

ten pound note

Bank of England note worth £10. The latest notes are made of polymer plastic, depicting Jane Austen, and went into circulation on 14 September 2017.

ten shilling note

Bank note worth ten shillings (50p).

It was first minted by the Treasury in 1914 as a means of protecting gold reserves at the start of the war. The first Bank of England note was issued on 22 November 1928. It subsequently went through three designs, all in a red-brown colour, until being demonetised on 20 November 1970 in favour of the 50p coin.

Tenterden steeple

Ridiculous excuse, such as for imposing a charge.

The origin is in the story that Tenterden steeple was responsible for Goodwin Sands, on the basis that there were no complaints about the Sands until the steeple was built. Despite the ridiculousness of the argument, successive Bishops of Rochester directed that money for the building the steeple should be used to keep Sandwich haven clear.

Tenterden's Act

Statute of Frauds Amendment Act 1828.

tenth

Historically, a **tithe**, or tenth part that was donated first to the Pope and then to the Crown.

tenure

The right to hold property or an office (particularly in a university).

tenure track

American term for **career path**.

ten-year anniversary

The tenth anniversary of the date on which a settlement was created. This triggers a **ten-yearly charge** to inheritance tax for discretionary trusts and some other trusts. The creation of the settlement is generally when property is first settled. No anniversary can fall before 1 April 1983.

The term "in relation to a settlement means the tenth anniversary of the date on which the settlement commenced and subsequent anniversaries at ten-yearly intervals, but subject to subsections (2) to (4) below" (Inheritance Tax Act 1984 s61(1)). Those subsections include transitional provisions.

ten-yearly charge

Inheritance tax charge imposed every ten years on a **discretionary trust**, and (from 22 March 2006) on many other types of trust.

This is sometimes called the "ten-year charge" or periodic charge.

The charge is 30% of the lifetime rate of inheritance tax. As this is 20%, the ten-yearly charge is usually 6%. In effect, the **exit charge** is a final ten-

yearly charge.

The ten-year period is divided into 40 quarters. Property may be excluded from the calculation for each whole quarter in which it was not held by a trust.

TEP	Letters after a person's name that indicates full membership of the Society of Trust and Estate Practitioners (STEP) .
tequila crisis	Colloquialism given to the South American debt crisis of 1994. It was solved by a loan from the IMF subject to conditions of economic reform.
tera-	Prefix used in metric units. It means 10^{12} . In computing, it can be used to mean 10^{40}
terabyte	In computing, storage capacity equal to 1 trillion bytes.
teraflop	In computing, unit of speed equal to 1 trillion floating-point operations per second.
term	<p><i>Contract</i> Condition in a contract.</p> <p><i>Capital instrument</i> In relation to a capital instrument: "the period from the date of issue of the capital instrument to the date at which it will expire, be redeemed, or be cancelled. "If either party has the option to require the instrument to be redeemed or cancelled and, under the terms of the instrument, it is uncertain whether such an option will be exercised, the term should be taken to end on the earliest date at which the instrument would be redeemed or cancelled on exercise of such an option. "If either party has the right to extend the period of an instrument, the term should not include the period of the extension if there is a genuine commercial possibility that the period will not be extended" (FRS 4 para 16).</p> <p><i>Insurance and investment</i> In insurance and investment, the period for which a policy or bond is issued.</p>
term account	Money invested for a fixed period, after which it is repaid to the original lender. It is another name for term deposit .
term deposit	Money invested for a fixed period, after which it is repaid to the original lender.
terminable	Description of something that may be ended.
terminal	(1) Pertaining to events that lead to death, such as a terminal illness. (2) Station from which a computer or other equipment may be operated, particularly when the terminal is remote.

terminal bonus	Additional bonus which may be paid when a claim arises under a with-profit life insurance policy, either at maturity or on death of the policyholder.
terminal date	<p>Date when something ends. The term is used for determining when child benefit stops.</p> <p>It is the last day of February, May, August or November after the child or young person either completes their education or reaches their 20th birthday.</p>
terminal illness	Provisions relating to the personal independence payment to someone who is terminally ill are set out in Welfare Reform Act 2012 s82.
terminally ill	In relation to child trust funds, is defined according to the definitions for terminal illness for social security purposes (Child Trust Funds Regulations SI 2004 No 1450 reg 18A(6)).
terminal loss period	Either the period from the start of a trade's final tax year and ending with its cessation, or the last 12 months of the trade's life (Income Tax Act 2007 s90). There are special provisions for relieving a loss from this period.
terminal loss relief	Provision whereby a trading loss in the final accounting period could be carried back for offset against profits of the three previous periods. This provision has applied from 2 July 1997 and had applied for periods before 1 April 1991. Between these dates, a loss of any year could be offset against the three previous years, so there was no need for separate terminal loss relief.
terminally ill	Description of a person suffering from a physical condition from which there is no likelihood of avoiding death. Such a person automatically qualifies for the highest rate of the care component of the disability living allowance and can be a factor in determining entitlement to the mobility component of the same allowance.
terminal market	There are special VAT provisions in Value Added Tax Act 1994 s50.
terminal platform	Offshore platform from which natural gas is brought ashore.
terminal trade loss relief	<p>The relief whereby a loss from a trade in its terminal loss period may be carried back against profits of the previous three years, rather than just one year.</p> <p>The law is Income Tax Act 2007 s89 for individuals, and Corporation Tax Act 2010 s37 for companies.</p>
termination	<p>"In relation to a lease —</p> <p>(a) means the coming to an end of the lease, whether by effluxion of time or in any other way, and</p> <p>(b) includes in particular the bringing to an end of the lease by any person or by operation of law"</p> <p>(Capital Allowances Act 2001 s70YI(1)).</p> <p>A similar but differently worded definition for leasebacks appears in Capital Allowances Act 2001 s228H(1).</p>

termination amount	In relation to a long funding lease for plant and machinery, this term is defined in Capital Allowances Act 2001 s70YG.
termination award	<p>Payment to an employee on leaving employment.</p> <p>“... Termination award means a payment or other benefit to which this Chapter applies because of section 401(1)(a) (Income Tax (Earnings and Pensions) Act 2003 s402A(1) as inserted by Finance (No 2) Act 2017 s5(3)).</p> <p>The tax treatment is that of a termination payment.</p> <p>The term “termination award” is used in the context of disclosing information on form P11D for PAYE purposes, where it is defined in PAYE regulations SI 2003 No 2682 reg 91(2).</p>
termination benefits	<p>“Employees benefits provided in exchange for the termination of an employee’s employment as a result of either:</p> <ul style="list-style-type: none">(a) an entity’s decision to terminate an employee’s employment before the normal retirement date; or(b) an employee’s decision to accept voluntary redundancy in exchange for those benefits” <p>(FRS 102 glossary).</p>
termination clause	Provision in a contract which sets out how that contract may be ended.
termination event	<p>Term that is given a specific meaning by Capital Allowances Act 2001 s1651(1C) in relation to decommissioning of an offshore installation.</p> <p>In relation to notional accounting periods in mineral extraction, the term is given a specific meaning in Capital Allowances Act 2001 s416ZB(3).</p>
termination or change date	Date on which a termination payment is paid to an employee (Income Tax (Earnings And Pensions) Act 2003 s404(3)(b)).
termination payment	<p>Payment on the termination of employment.</p> <p>Such payments up to £30,000 may be tax-free, subject to provisions in Income Tax (Earnings And Pensions) Act 2003 from s403.</p> <p>From 6 April 2018, such payments above £30,000 are also subject to class 1 national insurance.</p>
termination plan notice	Term used in connection with corporation tax relief for share incentive plans (Corporation Tax Act 2009 s993).
termination value	In relation to a long funding lease for plant and machinery, this term is defined in Capital Allowances Act 2001 s70YI.
terminer	Old law term for the act of determining.
term insurance	<p>Life insurance which only pays if the person dies before a certain date.</p> <p>As there is no guarantee of payment, as there is for life assurance, term insurance is often much less expensive. It is therefore often recommended to younger people with heavy commitments where the necessary cover can be provided at an affordable price.</p>

terminus ad quem	Latin: finishing point.
terminus a quo	Latin: starting point.
terminus post quem	Latin: the starting point. In particular, it means the earliest time that something could have happened.
term loan	Loan of money for a fixed period.
termor	Person who holds land for a term of years.
terms	Provisions which regulate how a contract or other agreement shall be administered.
term of a lease	<p>Period for which a lease operates.</p> <p>For a finance lease, there are usually two periods. The primary period is where the lessee in effect pays for the goods with interest to the lessor. The secondary period follows this and is usually just a nominal payment from the lessee to the lessor.</p> <p>For the purposes of capital allowances on leased plant and machinery, the term is defined in Capital Allowances Act 2001 s70YF.</p>
term shares	Shares offered for a fixed period. They are often offered by building societies, usually at a higher rate than other products.
terms of audit appointment	Conditions under which an auditor is engaged (Companies Act 2006 s493).
terms of reference	Areas which a person or committee is authorised to investigate or otherwise deal with.
terms of sale	Conditions which attach to a contract for the sale of goods or services.
term structure of interest rates	Structure where different interest rates are used as discount factors .
tern	Prize for drawing three winning numbers [among other meanings].
ternary	In mathematics, to the base of 3 or pertaining to the number 3.
terotechnology	Application of management, financial, engineering and other skills to extend the operational life and to increase the efficiency of machinery.
terra	Latin: land.
terraced	Description of residential property which adjoins properties on each side.
terrae filius	Latin: son of the soil. A person of humble birth.
terra firma	Latin: dry land.

terrain	Ground or tract of land seen as having a form of unity of prevailing character.
terra regis	Latin: land of the king. In ancient times, this comprised unowned and confiscated land. It provided an income to the king that was supplemented by taxation.
terre-tenant	Latin: land holder.
terrier	Roll of lands belonging to a person.
terrigenous	Earth-born; deriving from the ground.
Territorial Army	Before 6 April 2006 (when the normal pension retirement age was 60), a member was allowed to retire on a full pension at the age of 50. The Territorial Army is renamed the Army Reserve under Defence Reform Act 2014 s44(2). They are one of the classes of reservists (PAYE regulations SI 2003 No 2682 reg 122(2)).
territorial business exemption (TBE)	One of the proposed exemptions from the new rules for controlled foreign companies . The aim is to remove genuine overseas trading companies from the new regime.
territoriality	Principle of international law that states should not seek to legislate outside their territory, with some exceptions.
territorial limits	Geographical area over which a parliament may legislate. For the UK it comprises the land mass and 12 miles out to sea.
territorial sea	Capital gains tax provisions are given in Taxation of Capital Gains Act 1992 s276.
territorial waters	Area of sea round a state over which that state has legal authority. It is governed by a Geneva Convention of 1958, as amended. Territorial Sea Act 1987 fixes this at 12 miles for the UK. Traditionally the limit was three miles, the distance a cannon shot was supposed to be able to cover.
territory	Area of land with a recognised identity, but usually meaning an area that does not have full statehood.
terrorism	Use of violence and fear as an instrument of political change. Not only is this a crime, but it is an offence not to report evidence of this. This overrides any duty of client confidentiality. The tax authorities may disclose confidential information to intelligence services under Anti-Terrorism, Crime and Security Act 2001 s19. Payments to terrorists are disallowed as business expenditure as a

	<p>criminal payment. The matter is discussed in the Inspectors' Manual at BIM 43120.</p>
terrorism-related activity	<p>Term defined in Terrorism Prevention and Investigation Measures Act 2011 s4.</p>
tertiary education	<p>Education at a university, college or similar, after completion of secondary education. Tertiary education often starts at the age of 18.</p> <p>From 1998, a student is usually required to contribute to tertiary education either by direct payment or by a student loan. This earns interest and becomes a personal debt. It is collected by deduction from payroll.</p>
tertium quid	<p>Third party that remains nameless.</p> <p>The party results from a combination of two things but is different from them both.</p>
TES	<p>(1) Targeted employment support. (2) Temporary employment subsidy. (3) Times Educational Supplement.</p>
TESL	<p>Teaching of English as a Second Language.</p>
tesla	<p>Unit of magnetic flux.</p>
TESOL	<p>Teaching of English to Speakers of Other Languages.</p>
TESSA	<p>Tax-Exempt Special Savings Accounts.</p> <p>These were introduced on 1 January 1991 as a five-year savings accounts that did not incur tax charges on the interest paid. It has not been possible to open a new TESSA account since April 1999 though TESSAs in existence before that date could continue to the end of their five-year term.</p> <p>Similar tax benefits are now offered by individual savings accounts (ISAs).</p>
test	<p>Attest in law [among other meanings].</p>
Test Acts	<p>Laws, particularly of 1673, designed to ensure that only members of an established religion may hold office, and that Roman Catholics were excluded.</p>
testacy	<p>When someone had a valid will to dispose of property on death.</p>
testament	<p>Traditionally a document which disposed of a person's property other than land on death. Property was disposed of in a will. Under current law, both types of property are disposed of in a will.</p>
testamentary	<p>Relating to wills and executorship.</p>
testamentary capacity	<p>Ability to make a legal will. This broadly means that the testator must be either at least 18 years old or in the armed forces, and must have mental capacity.</p>

A person has testamentary capacity if he or she understands:

- the nature of the document being signed
- the property which is being disposed
- that some people may have a claim on his property
- the manner in which the estate is to be distributed.

Where there is reason to believe that the testator's mental capacity may be challenged, it is a common practice to ask a doctor to be a witness or to provide an accompanying letter.

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It is essential... that a testator shall understand the nature of the act and its effects; shall understand the extent of the property of which he is disposing; shall be able to comprehend and appreciate the claims to which he ought to give effect; and, with a view to the latter object, that no disorder of mind shall poison his affections, pervert his sense of right, or prevent the exercise of his natural faculties — that no insane delusion shall influence his will in disposing of his property and bring about a disposal of it which, if the mind had been sound, would not have been made.
Cockburn C J in Banks v Goodfellow [1870] LR 5QB 549, 565

testamentary disposition	Freedom of an individual to leave property in his will as he or she wishes.
testamentary freedom	Another name for testamentary disposition .
testamentary guardian	Person appointed in a will to look after a testator's child who is still under 18.
testamentary intention	The principle that the intention of the testator determines how a will is to be interpreted. A will that was executed as a result of fraud, coercion or undue influence can be set aside by a court. It is also known as animus testandi .
testamentary trust	Trust that is created by a will.
testate	A person who has a valid will to dispose of property on death.
testator	A person who has made a will disposing of property on death.
testatrix	Female testator .
testatum	Part of an indenture that begins "Now this indenture witnesseth..."
test case	Case brought before the court to test a legal principle on behalf of other claimants in a similar position.
test day	Day used to determine whether there is a one-way exchange effect in exchange gains and losses and derivatives . The term is defined in Corporation Tax Act 2009 s328C for exchanges, and in s606C for derivatives.
teste	Latin: on the testimony of.
testimonial	Sports event, concert or other fund-raising activity for the benefit of a person, such as on their retirement. As such money is considered to be a personal gift,

and so does not attract tax, following the decision in *Reed v Seymour* [1927]. If the person has a contractual right to the testimonial, it is taxed as employment income.

Such testimonials are taxed from 6 April 2017 on the amount by which they exceed £50,000, provided the testimonial was awarded after 24 November 2015.

testimonium	Clause at the end of a deed or will which commences "In witness whereof...."
testimonium clause	Another name for testimonium .
testimony	Statement of facts by a witness, often under oath.
Test in Live	Facility provided in some on-line tax-filing facilities on HMRC website. It allows a user to test the compatibility of their data and software without making a real tax return.
teston	Name given to various silver coins, including British coins issued by Henry VIII.
testoon	Variation of teston , particularly coins from Portugal and Italy. The word is also used for the early form of British shilling issued by Henry VIII.
test return	Dummy tax return which may be sent to HMRC to ensure that the Internet connection is working properly.
test scheme	A particular type of pension scheme as set out in Pensions Act 2008 s23.
tests of truth	In evidence, the three tests of whether a witness is being truthful are demeanour, consistency and background.
tetri	One hundredth of a laria, currency of Georgia, formerly of USSR.
tête-a-tête	French: head to head. A private confidential interview.
tetra-	Prefix denoting four.
TEU	"The Treaty on European Union" (European Union Act 2011 s1(2)).
Tex	Texas.
Texas holdem	Variation of the card game poker.
text	Material expressed in words. Books and similar printed material is zero-rated for VAT whereas text in the form of faxes, e-mails, microfiche and similar is generally standard-rated (VAT notice 701/10).
textbooks	In law, authoritative work that may be cited in court as evidence of how to interpret a law.

texting	Sending a message using a mobile phone. Such messages widely employ predictive text and standardised abbreviations.
text mining	Using software to scan the text to find information for research. At present this could be a breach of copyright law. On 2 August 2011, the government announced plans to make this exempt from copyright.
TFE	Trader Front End, a Customs term.
TFEU	Treaty of the European Union. This was the Treaty of Rome until replaced by Treaty of Amsterdam from 1 May 1990 which was itself replaced by Lisbon Treaty from 1 December 2009. “TFEU means the Treaty of the Functioning of the European Union” (European Union (Approvals) Act 2017 s1(3)).
TfL	Transport for London.
TFP	Time for Print.
TFS	Transfrontier Shipment of Waste.
TGO	Timber Growers' Organisation.
TGWU	Transport and General Workers Union. It is now part of Unite.
TH	Total of the initial holding, as used in the formula in Income Tax (Trading and Other Income) Act 2005 s154A(4).
Th	Thursday.
Thailand	Eastern country. Its currency is the baht of 100 satang. The UK has a double taxation convention of 1981.
thaler	Obsolete German silver coin.
Thalidomide	Drug still used for relieving stress and for similar applications. It was first sold from 1957, and was widely prescribed to pregnant women to treat morning sickness. It was then discovered to have the teratological effect of producing babies with deformed limbs and was removed from that use in 1961. The Thalidomide Trust was established in 1968 to make payments to victims. This was funded by Distillers Company (now part of Diageo) and the government. Its payments are specifically exempted from income tax.
Thalidomide Trust	“Means the Trust established by that name by a declaration of trust made on the 10 th August 1973 by Sir Henry Gordon Willmer, Arthur Halsall Walton and Sir Donald Macleod Douglas” (Thalidomide Children's Trust (Application of Section 329AA if the Income and Corporation Taxes Act 1988) Order SI 2004 No 1819 para 1(2)). The broad effect is to exclude payments from the Trust from the scope

of income tax.

thalweg	German: valley way. The boundary of lands separated by a river as being the centre of its navigable waters.
thane	Companion of an Anglo-Saxon king. The term was extended to include nobles of lower rank.
Thanksgiving Day	Annual holiday in USA on the fourth Thursday of September.
thank you	HMRC asked taxpayers not to write letters to them saying thank you for forms as it clogs up their post. (<i>TAXline April 2011</i>).
Thatcher, Margaret	English Conservative politician (1925-2013) who was prime minister from 4 May 1979 to 28 November 1990.
Thatcherism	Political and economic policies pursued under the premiership of Margaret Thatcher from 1979 to 1990.
THB	ISO code for Thai baht.
theatre tax credit	Surrenderable loss that may be converted to a payment by a theatrical company under Corporation Tax Act 2009 s1217K. The conversion is 25% for a touring company , and 20% otherwise.
theatrical artist	Actor or other entertainer who primarily works in theatres. The case <i>Madeley v HMRC SpC 547 [2006]</i> established that this term also applied to television presenters. The case concerned Richard and Judy who presented a daytime television programme. There were some special tax provisions for such artists. They are generally taxed as employees unless they have reserved Schedule D status . They are allowed to claim as a business expense payments to an agent of up to 17.5% of earnings.
theatrical production	For the purposes of theatrical productions tax relief, "means a dramatic production or a ballet (and any ballet is therefore a theatrical production, whether or not it is also a theatrical production), But see section 1217FB [which excludes some types of production]" (Corporation Tax Act 2009 s1217FA(1)). A theatrical production may qualify for a special corporation tax relief from 22 August 2014 under provisions set out in Corporation Tax Act 2009 from s1217F. A production is not regarded as theatrical if: (a) its main purpose is advertising (b) the performances include a competition or contest (c) a wild animal is used in any performance, (d) the production is of a sexual nature , or (e) its main object is to make a film. (Corporation Tax Act 2009 s1217FB(1)).

theatrical release	For the purposes of corporation tax relief on film production, “means exhibition to the paying public at the commercial cinema” (Corporation Tax Act 2009 s1196(2)). It is a condition for film tax relief that the film be intended for theatrical release.
the Bar	Term used in law to mean barristers collectively. Barristers qualify when they are “called to the bar”. This was originally a physical bar in a court beyond which only barristers could pass to address a court.
thebe	One hundredth of a pula, currency of Botswana.
The City	London, particularly as a financial centre.
The Fed	Abbreviation for the United States Federal Reserve Bank, America’s central bank and its equivalent to the Bank of England.
theft	<p>Dishonest appropriation of “property belonging to another with the intention of permanently depriving the other of it” (Theft Act 1968 s1).</p> <p>The term theft includes offences of larceny, robbery, burglary, blackmail, obtaining goods by deception, receiving and handling stolen property, unlawful abstraction of electricity, and related offences.</p> <p>Theft Act 1978 added the offences of making off without payment.</p> <p>Losses of cash or goods from theft are generally tax deductible, unless made by a director or proprietor of the business. A leading case on this latter point is <i>Curtis v J & G Oldfield Ltd [1925] 9TC319</i>. The matter is discussed in the Inspectors’ Manual at BIM37810.</p>
theftbote	Old term for hush-money.
the I minus E basis	In relation to taxation of insurance companies, “means the basis under which a company carrying on life insurance business is charged to tax on the relevant profits (within the meaning of section 88(3) of the Finance Act 1989) of that business under Case I of Schedule D” (Income and Corporation Taxes Act 1988 s431(2)).
the list	List of places of worship in the Church of England, regulated under Ecclesiastical Jurisdiction and Care of Churches Measure 2018 s38.
Thellusson	The court case <i>Thellusson v Woodford [1799]</i> where the deceased left a will tying up his estate for decades so that no living person could derive any benefit. This led directly to the law on accumulations .
Thellusson Act	<p>Accumulations Act 1800.</p> <p>This law prevented testators from leaving property to accumulate income without distribution for more than 21 years. The name comes from the will of Peter Thellusson who died in 1797 and left his estate to be tied up for generations.</p>
Themba	For international aid, acronym for the slogan: there must be an alternative.

A few years ago when economists were pressing the most dogmatic of free-market policies on some of the poorest countries in the world, they argued for it by saying 'Tina' — there is no alternative. But African people came up with shorthand of their own, not Tina, but 'Themba' — short for 'there must be an alternative'. In that cry, Themba, we hear everything that must guide us today, because while it was an acronym, it was also the Zulu word for the most important thing that humans can have: hope.

Themba — the confidence, conviction and certainty that where there are problems there are always solutions, that we do not need to accept the defeatism of doing nothing. It is the conviction that, through pursuing cooperation and internationalism, we need never return to the isolationism and protectionism of the past. It is the certainty that there is always an alternative to fear of the future, and what conquers fear of the future is our faith in the future: faith in who we are and what we believe, in what we are today and what we can become; faith, most of all in what we can achieve together.

(Beyond the Crash, by Gordon Brown, published by Simon & Schuster)

Themis	Greek goddess of law and justice.
therblig	A unit of work into which an industrial operation may be divided. The word is the reverse spelling of F B Gilbert (1868-1924) the American engineer who invented it.
therm	Unit once used for calculating payment for gas. It is equal to 100,000 British thermal units.
thermal insulation	For capital allowance purposes, this is treated as an integral feature , which means that it is included in the special rate pool and is subject to capital allowance at 8% on the writing down basis, and not the usual 18% for plant and machinery. For other provisions relating to capital allowances, see Capital Allowances Act 2001 from s27.
the register	Term usually used to mean the register of companies kept at Companies House (Companies Act 2006 s1080).
theta	Greek letter denoted as capital Θ and lower case θ . It is used in classical Greek to denote 9.
The Times	National newspaper that publishes law reports . The citation is <i>[Name of case] The Times [date of publication]</i> .
THI	Temperature humidity index.
thief	Person who has committed theft .
thin capitalisation	Form of tax avoidance similar to transfer pricing. Thin capitalisation works by transferring profit from a company taxable in the UK to a company which is subject to a lower rate of tax in another country. This is done when the company in the lower taxed country charges

interest, usually at a very high rate, to the UK company. This has the effect of transferring profit from the UK company to the other company and reducing the overall amount of tax payable.

There are anti-avoidance provisions to counter such schemes. From 1 April 2004, these provisions broadly disallow the payment of interest to a connected company to the extent that it exceeds the rate of interest payable to a commercial lender.

things being done

In the context of VAT **default surcharge** for late payments on account, “for the purposes of this section references to things being done by any day include references to its being done on that day” (Value Added Tax 1994 s59A(14)).

thinking skills

Term now used for the mental processes involved in solving problems, making decisions, asking questions, constructing plans, evaluating ideas, organising information and creating objects.

The prison service runs an accredited programme called Enhanced Thinking Skills (ETS) in an attempt to reduce criminal behaviour.

third company

For **consortium relief**, “a company that is not... a member of the same group of companies as the trading company” (Corporation Tax Act 2010 s155(4)).

third country

Country or territory outside the European Union.

In relation to savings income, “means a territory other than a member State” (Importing of Savings Income Information Regulations SI 2003 No 3297 reg 2(2)).

In relation to merchandise in baggage, “any country or territory that is not part of the EU” (Customs notice 6).

third country goods fulfilment business

When a person stores goods from a country outside the European Union for which there has been no supply of goods in the UK for VAT purposes, but where they are offered for sale in the UK.

VAT provision are given in Finance (No 2) Act 2017 ss48-59 which implements EU directive 2016/112/EC and regulation 282/2011 of 15 March 2011.

A person carrying on such a business needs approval from HMRC under Finance (No 2) Act 2017 ss49. It is an offence to run such a business without approval. Penalties include fines, imprisonment and confiscation of the goods.

The provisions take effect from 1 April 2019 under The Finance (No 2) Act 2017 Part 3 (Appointed Days) Regulations SI 2018 No 298.

These provisions are designed to deal with VAT avoidance when goods are sold in UK through Internet platforms such as Amazon.

third farthing

Copper coin worth one third of a farthing or 1/12 of an old penny, minted between 1827 and 1913. There were 2,880 to the pound.

third generation

Advanced form of telecommunication.

third guinea	Coin worth 7 shillings minted between 1797 and 1813.
third party	<p>Person who is not a party to a contract but who may be affected by it, such as a passenger in car who makes a claim on the driver's insurance policy.</p> <p>The law of privity of contract generally excludes a third party from taking action under a contract, but there are many exceptions to this rule. For example if C is a passenger in a car driven by A who has insured it with B, C has a claim against B if A is injured in an accident.</p> <p>In relation to corporation tax on banks, this term is given a specific meaning in Corporation Tax Act 2009 s133D as inserted by Finance (No 2) Act 2015 s18.</p>
third party acquisition	In relation to goodwill acquired from a related party, the term is defined in Corporation Tax Act 2009 s849B(7) as inserted by Finance Act 2015 s26.
third party debt order	Court order requiring a third party, such as a bank, to pay money to discharge a debt.
third party directions	Directions given by a court to a person who was not an original party to the proceedings but who has subsequently become a party.
third party entertainment	<p>When an employee is entertained in the course of employment by someone other than the employer.</p> <p>Such entertainment is generally exempt from tax up to £150 under Income Tax (Earnings And Pensions) Act 2003 s265.</p>
third party, fire and theft	Motor insurance of third party insurance that also insures a car against being stolen or damaged by fire.
third party funding	<p>Arrangement whereby an organisation is funded by another to provide a service, such as when a local authority funds a charity to provide a specific service.</p> <p>Third party funding is subject to VAT, but grant funding is not (VAT notice 701/1).</p>
third party insurance	<p>Insurance to protect people who are not parties to the policy, and to protect their property.</p> <p>It is an offence to take a vehicle on a British road without such insurance (Road Traffic Act 1988 s143(1)(a)).</p> <p>Such insurance does not insure the driver or the vehicle itself.</p>
third party notice	<p>Tax</p> <p>Notice that HMRC may issue to someone other than a taxpayer to obtain information about the taxpayer. Such a notice is issued under Finance Act 2008 Sch 36 para 2 (previously Taxes Management Act 1970 s20).</p> <p>In Scotland, similar provisions are contained in Revenue Scotland and Tax Powers Act 2014 s125.</p> <p>Pensions</p> <p>Notice served by Pensions Regulator on a third party under Pensions Act 2004</p>

s14 to address a contravention of regulations.

third party payment	In relation to trading income provided through third parties, "a payment is a third party payment if it is made (by T or another person) to — (a) T acting as trustee, or (b) any person other than T". (Income Tax (Trading and Other Income) Act 2005 s23C(2) as inserted by Finance (No 2) Act 2017 s35(2)).
third party proceedings	Proceedings brought by a defendant against someone who is not already a party to the legal action.
third person	Someone other than you or me.
third quarter	The seventh to ninth months of a particular year. The third quarter of a calendar year runs from 1 July to 30 September.
third reading	The consideration of committee reports in passing a British Act of Parliament.
third six	For barristers, term for a third period of six months of pupillage in which the barrister does his or her own work but is not yet a tenant.
third way	In politics, an alternative to two existing alternatives.
Third World	Developing countries of Africa, Asia and South America.
thirteenth	Direct tax imposed in 1207.
thirty pieces of silver	Bribe, blood money. This was the amount that Judas Iscariot received for betraying Jesus (Matthew 26:15, the Bible).
Thomasing	Old practice of collecting small sums of money or drink from employers on St Thomas' Day, 21 December.
Thompson, John	English civil servant (1964-) who has been chief executive of HMRC since April 2016.
Thorn Baker	Name given to the case <i>HMRC v Thorn Baker Ltd [2008]</i> which briefly held that agency workers were entitled to statutory sick pay . The government legislated to reverse this court ruling and restore the position that an agency worker is only entitled to SSP after three months. This revised law applies from 27 October 2008.
Thorneycroft, Peter	English Conservative politician (1909-1994) who was Chancellor of the Exchequer from 13 January 1957 to 6 January 1958 in the government of Harold Macmillan. He resigned in protest at increased government spending.
thou	Engineering measure for one thousandth of an inch or 25.4µm.

threadbare	Description of cloth that has worn to the nap. By extension, description of anything that is worn out or whose time is past.
Threadneedle Street	Road in London that houses the Bank of England , and which is sometimes used to mean the Bank.
threat	Expressing an intention to do harm to someone. It is an element of many crimes including blackmail, duress and sending distressing letters.
threatening behaviour	Crime of using threatening, abusive or insulting words or behaviour to someone. It includes displaying material for the same purpose.
three acres and a cow	The cry of Jesse Collings (1831-1920) in his populist campaign for agrarian reform.
three-card poker	From 23 April 2002, this game is specifically added to the list in Betting and Gaming Duties Act 1981 s13(3) as coming within the scope of gaming licence duty .
three-card trick	Scam where a person is invited to bet on which of three cards placed face down is a queen. The card is deftly switched so the victim loses. By extension, the term is sometimes applied to any rudimentary scam.
three certainties	Term used to define a condition for setting up a valid express trust . The three certainties are of words and intention, subject matter and beneficiaries. This condition was laid down in the leading case of <i>Knight v Knight [1840]</i> . A lack of certainty can void a trust, with an exception for a charitable trust.
three Cs	Concession, conciliation and confrontation. These are the three traditional methods for resolving disputes. They should be considered in the order above.
three-farthings	Silver coin worth $\frac{3}{4}$ of an old penny, or $\frac{1}{320}$ of a pound. The coin was issued between 1561 and 1582. It differs from the silver penny and silver three halfpence by their size.
three-field system	Traditional method of crop rotation used in farming from middle ages to 19 th century. Each field was planted with wheat or rye in year 1, with a different crop in year 2, and left fallow in year 3.
three-fourteenths trust	Educational trust commonly found in Church of England. It is based on the old practice of allowing church school premises to be used by the church on Sundays and Saturday mornings, which represents three of the 14 half-days in a week.
three Fs	Free sale, fixity of tenure and fair rent. These were demanded by the Irish Land League in 1881.

three-halfpence	Silver coin worth 1½ old pence, or 1/160 of a pound.
three-letter acronym (TLA)	An acronym that has been shortened to three letters, as widely used in computing.
three-line account (TLA)	<p>Simplified tax reporting requirement for small businesses. Such businesses need only report their turnover, allowable expenses, and profit or loss. They do not need to provide a breakdown of the expenses they may choose to do so. The business must keep normal business records showing such details.</p> <p>For the 2009/10 tax year, the upper limit is the same as the VAT registration threshold. Previously it was £30,000 for self-employment and £15,000 for property income.</p>
threepence coin	<p>Pre-decimal coin worth three old pence.</p> <p>It was minted in silver from 1547 to 1937. It was replaced by a brass 12-sided coin from 1937 to 1967.</p>
three-tier system	Traditional system for allocating cases in the Crown Courts.
Threlfall v Jones	Leading tax case that established that accounting standards must be followed for accounts on which tax computations are based. The full name is <i>Threlfall v Jones</i> [1993] 66 TC 77.
threshold	Point at which a provision comes into effect, such as the amount at which tax becomes payable or a benefit becomes receivable.
threshold agreement	Contract which contains a provision triggered by a threshold . The commonest example is a contract of employment which states that pay will be automatically increased if the cost of living increases by more than a state figure.
threshold amount	Amount in respect of money-laundering by a deposit-taking body (Proceeds of Crime Act 2002 s339A(2)). The amount is £250 unless an officer specifies a higher figure.
threshold income	In relation to the tapered reduction in annual allowance for pension contributions, this term is defined in Finance Act 2004 s228ZA(5) as inserted by Finance (No 2) Act 2015 Sch 4 para 10.
thrice	Three times.
thrift	<p>(1) In the USA, a private local bank or similar body which accepts and pays interest on small deposits.</p> <p>(2) Frugality, economy.</p>
thriftling	<p>Economising, particularly in manufacture by saving small amounts in many areas.</p> <p>Thriftling was pioneered by Ford Motor Co and others in the 1950s. It often proved to be a fool's economy where the saving was at the expense of quality.</p>

Throgmorton Street	<p>The financial world.</p> <p>The term, now rarely used, comes from a narrow London street built in the 16th century where many financial institutions were based.</p>
through airway bill	<p>An airway bill where the final destination is not the airport of receipt (AOR). The goods have arrived at the AOR to be routed on.</p>
throughput accounting	<p>System which looks at how maximum returns can be obtained on activities subject to bottlenecks.</p>
throughput level	<p>Quantity of goods passing through a warehouse.</p>
through-the-gate	<p>Description of support provided to prisoners when released.</p>
throw in the towel	<p>Colloquialism meaning to concede defeat. The term comes from boxing.</p>
thruppence	<p>Colloquialism for three pence, particularly three old pence.</p>
Thu	<p>Abbreviation: Thursday.</p>
thumbnail	<p>In computing, an icon showing a very small representation of a document or picture to aid selection.</p>
TI	<p>Temporary importation.</p>
TIC	<p>True interest cost.</p>
tic	<p>Take (or taken) into consideration.</p>
Tichborne Dole	<p>Ancient charity established in 1150 to provide free bread and cheese to poor people. It is still commemorated as a local custom.</p>
tick box	<p>Method of inspection, audit or similar which simply requires that a series of simple tests are undertaken as evidenced by a tick in a box on a form.</p>
ticket	<p><i>General</i></p> <p>Document providing evidence, particularly of the right of admission.</p> <p><i>Value added tax</i></p> <p>For VAT, it should be noted that the supply is the right of admission, so the rate of VAT is that which applies for the date the ticket is sold, not for the date that the ticket is used.</p> <p><i>Air passenger duty</i></p> <p>“Means a document or documents evidencing an agreement (however made) for the carriage of any person” (Finance Act 1994 s43(1)).</p>

ticket bot	Automated software that buys tickets for events with a view to reselling them at a profit. Such software is illegal from 5 July 2018.
tidal waters	Any part of the water that naturally ebbs and flows (Merchant Shipping Act 1894).
tide over	Colloquialism for providing short-term finance.
tide-waiter	Old term for a Customs officer who boarded ships to ensure that Customs requirements had been met.
tidying up	<p>Term used in tax law to mean provisions that make existing provisions clearer without changing their substance. The term is not a colloquialism.</p> <p>For example, the term is used in Finance Act 2007 Sch 10 para 5 in relation to provisions in Taxation of Capital Gains Act 1992.</p>
TIE	Taxable income elasticity.
TIEA	Tax information exchange agreement.
tied cottage	Common term for tied premises , even when those premises are not a cottage.
tied financial adviser	Person who has been authorised by the relevant body as a financial adviser, but who is only allowed to promote products of one company.
tied house	In retail, particularly for pubs, an outlet that is restricted to selling the products of one supplier.
tied oil	<p>Oil which has been delivered as “conditionally relieved of duty”.</p> <p>Such oil must be delivered to an individually approved distributor for supply for eligible use, or to an individually approved user.</p> <p>“Means hydrocarbon oil that the Commissioners permit to be delivered for home use to an approved tied oil trader, without payment of duty in accordance with section 9(1) of the [Hydrocarbon Oil Duties Act 1979]” (Hydrocarbon Oil (Industrial Reliefs) Regulations SI 2002 No 1471 reg 3).</p>
tied premises	<p>Accommodation that is provided to an employee as part of the job. In some cases, a tied cottage may be treated as a taxable benefit in kind.</p> <p>For the provider of a tied cottage, the receipts and expenses are included in trading income and expenses (Income Tax (Trading And Other Income) Act 2005s19).</p> <p>Corporation tax provisions are given in Corporation Tax Act 2009 s42.</p>
tied pub	This term is defined in Small Business, Enterprise and Employment Act 2015 s68.
tied pub tenant	This term is defined in Small Business, Enterprise and Employment Act 2015 s70(1).

tier 1 capital	<p>In banking, a core measure of a bank's financial strength from the perspective of the regulator. The term is defined in according with an accord agreed at Basel I.</p> <p>Tier 1 capital primarily comprises shares and retained earnings. It may contain non-cumulative preference shares.</p>
tierce	<p>Measure of wine equal to one third of a pipe, about 35 gallons.</p>
tier one capital equity and liabilities	<p>For bank levy, this term is defined in Finance Act 2011 Sch 19 para 30(2).</p>
TIF	<p>Tax increment financing.</p>
TIFF	<p>Tagged-image format filing, a standard computer file format for pictures.</p>
tiger	<p>Endangered animal. The importation of the animal or its products is generally prohibited under CITES convention.</p>
tiger economy	<p>Emerging economies of Asian countries.</p>
tight	<p>Colloquial term indicating a shortage of funds, though usually just enough to survive.</p>
tights	<p>Single garment which covers the lower half of the body and provides a stocking effect on the legs. Tights replaced stockings from the mid-1960s when mini-skirts became popular.</p> <p>An employer may reimburse an employee for laddered tights without this constituting a taxable benefit-in-kind.</p>
tight wad	<p>Slang term for a mean person.</p>
tile	<p>In computing, printing of a very large image on many sheets of paper that can be placed together like tiles.</p>
till	<p>(1) Drawer or simple machine for keeping cash, particularly in a shop. Most modern tills come with a cash register which allows sales to be recorded. Electronic tills can be connected to computers to provide an automatic record of sales.</p> <p>(2) Work or cultivate land for farming.</p>
tilla	<p>Gold coin issued by Afghanistan, that may be a gold investment coin for VAT purposes.</p>
till book	<p>Banking term for the ledger which was kept by each teller in a bank branch recording details of payments received in and paid out. Such books disappeared by the 1980s as computers were used.</p>
timber	<p>Wood used for building. Its original legal use was restricted to mature oak, ash and elm.</p>

timber line	The upper limit of trees on a mountain.
time	<p><i>Time of day</i></p> <p>“Subject to section 3 of the Summer Time Act 1972 (construction of references to points of time during the period of summer time), whenever an expression of time occurs in an Act, the time referred to shall, unless it is otherwise specifically stated, be held to be Greenwich mean time” (Interpretation Act 1978 s9).</p> <p><i>Duration</i></p> <p>In financial matters, time means the period before or after which something happens, period which someone works, or the duration of something (such as the life of a contract).</p>
time and a half	Rate sometimes paid for working overtime . It comprises the employee's normal hourly rate uplifted by one half.
time and a third	Rate sometimes paid for working overtime . It comprises the employee's normal hourly rate uplifted by one third.
time and method	Method of analysing the methods by which tasks are performed to see if it is possible to find less expensive methods.
time and motion	Method of analysing how tasks are performed to see if it is possible to find less expensive ways.
time apportionment	Apportionment of a rule, tax or other provision which applies to a period that spans a date where there is a change. The apportionment is usually based on the relative number of calendar days on each side of the date.
time bargain	Contract for the sale of stock at a certain price on a future day where the seller does not hold the stock but intends to purchase it before the sale.
time calculator	Calculator which has the additional function of being able to calculate time such as between two dates or two times of the day.
timed collection	Service offered by Royal Mail whereby mail is collected at a predetermined time and day of the week. An additional charge is usually made for this service. This service became available from April 2008.
time deposit	When money is saved with a financial institution for a fixed period.
time-dumping	Unlawful practice of inflating claims for hours worked, particularly by insolvency practitioners.
time for print (TFP)	Arrangement common between photographers and models. Instead of either paying the other, they each agree to license the other to use the photographs free subject to conditions. Each thus builds up their portfolio of work at little cost. For tax purposes, such arrangements are not usually regarded as barter arrangements and are therefore not usually subject to VAT or income tax on

the benefit.

time immemorial	<p>“From when the memory of man runneth not to the contrary”.</p> <p>The Statute of Westminster 1275 fixes this as being from before 6 July 1189, the start of the reign of Richard I.</p> <p>Any custom that has existed from time immemorial has the status of English law, subject to conditions.</p>
time-inconsistent addiction	<p>Economic term for where someone suffers from addiction, and is aware of its financial consequences but lacks sufficient willpower to overcome the addiction.</p>
time is of the essence	<p>Time is the most important consideration.</p> <p>This condition in a contract can have the effect of voiding a contract if work is late.</p>
time-keeping	<p>State of being at work on time and staying until the required hour.</p> <p>The reliability of an employee in keeping to the hours he or she is supposed to work.</p>
time lag	<p>Time that elapses between a cause and its effect.</p>
time limit	<p>Deadline; maximum time allowed to perform a task.</p>
time limitation	<p>Restricting the amount of tax available for something.</p>
time-limiting	<p>Imposing a maximum period for which a person may receive a contributory social security benefit.</p>
timeliness	<p>One of the qualitative characteristics of information in financial statements.</p> <p>“Providing the information in financial statements within the decision time frame” (FRS 102 glossary).</p> <p>“To be relevant, financial information must be able to influence the economic decisions of users. Timeliness involves providing the information within the decision time frame...” (FRS 102 section 2.12).</p>
timely use	<p>Reasonably prompt use by HMRC of tax information provided by a taxpayer.</p> <p>If HMRC fails to act within a reasonable time, the taxpayer may be excused any unexpected tax demand under the provisions of extra-statutory concession A19. Reasonable time usually means by 12 months after the end of the tax year in which disclosure was made.</p>
time of accrual	<p>Time when a chargeable gain accrues to a company that wishes to claim group relief (Taxation of Capital Gains Act 1992 s171A(3)).</p>
time of discharge	<p>Date on which a contract ends by frustration (Law Reform (Frustrated Contracts) Act 1943 s1(2)).</p> <p>The law is broadly that all sums paid under the contract must be refunded from that date unless a court orders otherwise.</p>

time off for dependants	The right to take unpaid leave to look after a dependant (Employment Rights Act 1996 s57A).
time off for public duties	An employee has the right to unpaid leave to perform certain public duties, such as magistrate or councillor. A full list is given in Employment Rights Act 1996 s50.
time of supply	<p>For VAT, when a supply is made. This determines the tax point which can determine the rate of tax to charge, and the period for which the tax must be accounted.</p> <p>The rules are set out in Value Added Tax Act 1994 s5.</p>
time on one's hands	Being idle, having nothing to do.
time order	<p>Order issued by a court allowing a debtor more time to pay a debt.</p> <p>Such an order may be requested only if the debt is regulated by Consumer Credit Act 1974. This generally means that the debt was up to £25,000 if taken out from 1 May 1998, or £15,000 if taken out previously.</p>
time policy	Marine insurance policy that covers a ship for voyages during a specific period only.
time provisions	Clauses in a contract that determine when various obligations must be performed.
time rate	Rate of pay which is calculated as so much per hour or other measure of time.
timescale	Period over which something happened or is planned to happen.
timeshare	<p>Form of licence over property where someone buys the right to occupy a property, such as for the same week or two weeks every year. This is widely used for holiday accommodation. A more substantial form is shared ownership.</p> <p>For local authority taxation, a timeshare property is always regarded as business premises, and is subject to business rates rather than council tax.</p>
Times, The	National newspaper. It carries law reports that may be cited as <i>[Names of parties] The Times [date of publication]</i> . Past cases can be accessed on its website on payment of a subscription.
time sheet	<p>Record of when an employee or worker starts and stops work, and (sometimes) what the employee does.</p> <p>A timesheet can be used to determine payment, such as for a temporary worker, or how much to invoice clients, such as in a professional body such as a firm of accountants or lawyers.</p>
time target	In human resources, a level of output expected from an employee. For example, a supermarket check-out operator is usually expected to scan between 1,000 and 1,200 items an hour.

Time to Pay (TTP)	<p>Scheme offered by the tax authorities to help a person or other taxpayer pay arrears of any tax. This is usually arranged in a single telephone call to 0300 200 3835.</p> <p>Penalties for late payment are suspended during a TTP scheme under Finance Act 2009 s108.</p> <p>The scheme is designed to provide help to a taxpayer with a temporary cashflow problem. Repeated requests are less likely to be granted. HMRC guidance issued in 2014 says that TTP arrangements are usually expected to last no more than a few months. It is exceptional for them to extend over more than one year. It is also usual for payments to start immediately though sometimes a short initial deferral is agreed.</p> <p>From 3 August 2015, TTP usually requires the taxpayer to set up a direct debit.</p> <p>Further guidance is provided in HMRC's tax manual from DMBM800010.</p>
time value of money	<p>Concept that the passing of time reduces the value of money. This can be seen as either inflation or as the opportunity cost of not investing the money.</p>
time work	<p>Basis used for determining whether the national minimum wage (NMW) regulations have been followed. This is the commonest of the four bases used.</p> <p>Under the time work basis, the worker must be paid at least the NMW multiplied by the number of hours worked in a pay reference period.</p> <p>For this purpose, hours at work generally include:</p> <ul style="list-style-type: none">• time at work actually working;• time spent at work when available for work but prevented from doing so;• training during normal working hours;• travelling in the course of work (but not normal commuting); and• when on standby or on-call at or near the place of work and must stay awake. <p>Hours at work generally do not include:</p> <ul style="list-style-type: none">• rest breaks, including tea breaks;• when the worker is on standby or on-call at home;• when the worker is on standby or on-call anywhere, but is allowed to sleep;• normal commuting to and from work;• training outside working hours.
time work	<p>Work paid according to time spent.</p>
timing differences	<p>In relation to accounting for deferred tax, "differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements" (FRS 102 glossary).</p>
timing rule	<p>In relation to tax avoidance schemes, the date on which the avoidance arrangements are made. "The issue is whether there is a wish to keep the</p>

details confidential at any point after this time." (HMRC leaflet DOTAS, January 2016 para 7.4.3).

- Timor-Leste** Country in Arafura Sea. Its currency is the US dollar of 100 cents. The UK has no double taxation treaty.
- tin** Metal element with the atomic symbol Sn.
The word has acquired many colloquial meanings, including money.
- TIOPA** Taxation (International and Other Provisions) Act 2010.
- tip** Gratuity or amount voluntarily provided for service. In the UK, tips are traditional for waiters, taxi drivers, hairdressers and in a few other areas.
Tips are subject to income tax as employment income, regardless of how the tip is paid.
For national insurance, a tip is subject to class 1 national insurance if provided by the employer, such as by distributing tips added to a bill or put in a jar by the till. A tip paid directly, such as a bank note left under a plate for a waiter or handed with a credit card, is not subject to class 1.
For PAYE purposes, **tips** "means gratuities and service charges" (PAYE regulations SI 2003 No 2682 s100(7)).
For VAT, a voluntary tip is not part of the standard-rated supply of catering (VAT notice 700). This does not apply to **service charges**.
- tipper** Person who tips. Vehicles that tips, such as a dumper.
- Tippex** Trade name for a brand of opaquing liquid to correct mistakes in documents. It should not be used in accounting records or legal documents, where it is essential that any amendments are clearly identifiable as such.
- tipping off** Giving advance disclosure to a person of criminal proceedings.
For money laundering, this is a specific offence in Proceeds of Crime Act 2002 s333A.
[Note that "tipping off" is the statutory term, and is not a colloquialism.]
- tipping point** Point at which an additional factor triggers a different treatment or consequence, even though the additional factor and each existing factor is insufficient to justify that treatment or consequence.
The analogy is to a balance on a fulcrum where there comes a point where adding one more weight will tip the balance.
Tipping points can be found in many branches of tax and law. For example, a cumulation of factors may constitute reasonable excuse against a tax penalty, even though each factor alone would not constitute reasonable excuse.
- tips** For PAYE purposes, "means gratuities and service charges" (PAYE regulations SI 2003 No 2682 reg 100(7)).
See also the entry for **tip**.
- tipsheet** Publication that provides information from a **tipster**.

tipstaff	Old office of constable, bailiff or sheriff's officer.
tipster	Person who makes a living by providing tips on such matters as what shares to buy or which horses to back in a race.
tip the balance	To make something appear more favourable by adding another factor, as explained under tipping point .
TIR	Transports Internationaux Routiers.
TIS	Technical interface specification, details published by bodies such as HMRC to assist software developers in accommodating changes.
TiS	Transactions in Securities. The term often refers to the legislation in this area.
tissue	In biology, "means all constituent parts of the human body formed by cells" (Directive 2003/23/EC article 3).
tissue establishment	"Means a tissue bank or a unit of a hospital or another body where activities of processing, preservation, storage or distribution of human tissues and cells are undertaken. It may also be responsible for procurement or testing of tissues and cells" (Directive 2003/23/EC article 3).
Titanic clause	American term for a clause in a will that determines how an estate is to be distributed if a beneficiary dies very soon after the testator. It is named after the ship that sank in 1912, in allusion to the fact that many family members may die together in a common accident.
tithe	Traditional offering of one tenth of one's income, such as to a church. The earliest taxes were compulsory tithes.
Tithe Redemption Commission	Body established under Tithe Act 1936, and which has now been abolished.
tithe rentcharges	These were abolished by Tithe Act 1936, which Act was itself repealed by Statute Law (Repeals) Act 2004 s1(1).
title	(1) A legal right, or a document proving legal right. (2) An honorific attached to a person's name such as "Sir" for a knight or baronet.
title bar	In computing, the narrow horizontal bar at the top of the screen showing the program and document name.
title deed	The legal document that not only identifies the owner of a property but also other details about the property and the land it is built upon. This will be kept by the lender until your borrowing and interest on that borrowing has been repaid.

title plans	Term used by Land Registry for boundary maps of registered properties.
title registers	Term used by Land Registry for title deeds.
title sponsor	Business jargon for a business that will readily sponsor things to boost its reputation or standing.
Titoism	Form of communism practised by Marshal Tito (1892-1980) in Yugoslavia. It is communism but not at the expense of nationalism.
titular	(1) Relating to title (2) In name only.
tiyin	One hundredth of a sum, currency of Uzbekistan.
TJS	ISO code for Tajikistan somoni.
Tk	Abbreviation: taka, currency of Bangladesh.
TL	Abbreviation: Turkish lira, currency of Turkey.
TLA	(1) Three-line account. (2) Three-letter acronym
TLC	Tender loving care. The term is used as an analogy to medicine.
T-level	Technical qualification at level 3, equivalent to an A-level. The first three were introduced on 11 October 2017, to be taught from 2020. It is planned that a complete range will be taught from 2022.
TLR	Times Law Reports, as published from 1884 to 1952.
TMA	(1) Taxes Management Act 1970. (2) Theatrical Managers Association. (3) Tobacco Manufacturers' Association.
TMI	Too much information. A sign that a document or speaker is boring people with unnecessary or inappropriate detail.
TMO	Telegraphic money order.
TMT	(1) ISO code for Turkmenistan manat. (2) Technology, media and telecommunications.
TMW	Taxable maximum (of social security benefit) for a week.
TN	Tennessee, US state.
TNC	Trans-national Company (or Corporation).

TND	ISO code for Tunisian dinar.
TNR	Temporary non-resident. The abbreviation is used in Income Tax (Trading and Other Income) Act 2005 s368A(1).
TNRB	Transferable nil rate band , of inheritance tax.
TNR provisions	Provisions on savings and investment income for temporary non-residents, as set out in Income Tax (Trading and Other Income) Act 2005 s368A.
TO	(1) Telegraphic office. (2) Telegraphic order (of money) (3) Turn over.
tobacco	<p>Cured leaves of any plants of the <i>Nicotiana</i> species. Tobacco has attracted tobacco duty since 1565.</p> <p>Tobacco products are also subject to VAT at the standard rate on both the tobacco product and the duty.</p> <p>From 1 April 2017, businesses or individuals that intend to deal in raw tobacco must generally be approved by HMRC under the Raw Tobacco Approval Scheme.</p>
tobacco allowance	Amount of tobacco products that an individual may personally import from a non-EU country without having to pay any additional taxes. From 1 January 2010, the allowance is basically 200 cigarettes or 50 cigars or 250 grams of tobacco.
tobacco duty	<p>Excise duty charged on tobacco under Tobacco Products Duty Act 1979.</p> <p>Tobacco is classified into one of the four types for the purpose of the duty:</p> <ul style="list-style-type: none">• cigarettes;• cigars;• hand-rolling tobacco; and• other tobacco. <p>The duty on cigarettes is a fixed percentage of the retail price plus a fixed sum per 1,000 cigarettes. The fixed charge is increased if the cigarette has a tar yield above 20mg.</p> <p>Hand-rolling tobacco is tobacco which is suitable for making into cigarettes and where at least 25% of the tobacco has a width of less than 0.6mm.</p> <p>From 1 April 2001, all packets of cigarettes and hand-rolling tobacco must have a fiscal mark to indicate that duty has been paid.</p>
tobacco product	<p>“A product consisting wholly or partly of tobacco and intended to be smoked, sniffed, sucked or chewed”. (Tobacco Advertising and Promotion Act 2002 s1).</p> <p>Products are defined in the Tobacco Products (Description of Products) Order SI 2003 No 1471.</p>
tobacco products manufacturing machine	“Means machinery that is designed primarily for use for the purpose of (or for

purposes including) manufacturing tobacco products" (Tobacco Products Duty Act 1979 s8V as inserted by Finance (No 2) Act 2017 s47(1)).

From 1 August 2018, such machines must be licensed under The Tobacco Products Manufacturing Machinery (Licensing Schemes) Regulations SI 2018 No 75.

Tobar doctrine	Doctrine that a government should only be recognised if it came to power democratically. In practice, governments prefer the more pragmatic Estrada doctrine .
TOBCSC	Prefix for HMRC's manual on tobacco: control of supply chains.
Tobin tax	Proposed tax on foreign exchange transactions, named after US economist James Tobin (1918-2002).
toby	Old term for robbery on the road.
TOC	(1) Table of contents. (2) Train operating company.
tocher	Scottish term for a dowry.
toddy	Drink comprising alcoholic liquor, sugar and hot water. It is often used to revive poor health.
toea	One hundredth of a kina, currency of Papua New Guinea.
toerag	Slang term for a beggar, tramp or undesirable person.
toffee apple	For VAT, this is zero-rated as food and not standard-rated as confectionery. The product was an apple. The presence of sugar did not affect that. <i>Candy Maid Confectionery Ltd [1968] 3 All ER 773</i>
toft	Land on which a decayed building had stood.
tog	Unit of measurement of thermal insulation.
TOGC	Transfer of a going concern.
Together Mortgage	Mortgage and loan product offered by Northern Rock Building Society between 1999 and March 2008. It contributed to the collapse of the Society and its nationalisation in February 2008 at the start of the banking crisis. The Society offered a 95% secured mortgage plus a 30% unsecured loan at the same interest rate.
toggle	In computing and on machinery, a key or control that switches something on and off on repeated switching. It switches between two states.

Togo	African country. Its currency is the CFA franc of 100 centimes. The UK does not have a double taxation treaty.
toise	Old French measure equal to 6.935 feet, just under 2 metres.
token	Something which is used to represent something else, such as a printed disc which represents an amount of money.
token amount	Small amount which indicates value but not worth. Under English contract law, a buyer must provide consideration. A business may therefore be bought for a token amount of £1 to establish a legal contract.
token charge	Small charge, particularly which does not cover the cost of whatever is supplied but which is made for another reason, such as to maintain the right to make charges.
tokenism	Personnel practice of deliberately employing a few workers from a minority or disadvantaged group to demonstrate equality.
token money	Money whose face value is more than the intrinsic value of its metal content. Since 1914 (at the latest), all British coinage is token money, as is most world coinage.
token payment	Small payment whose main purpose is to acknowledge a debt, rather than to reduce it. Someone with serious debt problems may pay £1 a month to creditors to acknowledge that the debt is still owed. This prevents the debt becoming statute-barred .
token rent	Small payment of rent. It is usually paid merely to establish a legal right than to cover the genuine cost.
token ring	In computing, a form of network in which a token or signal controls access to the network.
token vote	Parliamentary vote of money in which the amount stated is intended more as a means of discussion than funding.
Tokyo Round	A round of talks under General Agreement on Tariffs and Trades completed in 1970, which led to significant reduction in international customs duties, and assisted in the creation of customs unions.
tolar	Currency of Slovenia, before it adopted the euro in 2007.
tolbooth	Early spelling of toll booth where taxes were collected.
tolerance	For PAYE, an amount of underpayment that HMRC does not pursue. This figure has been £50 for many years except for a period from September 2010 to March 2011 when it was temporarily increased to £300 to help clear a backlog of tax reconciliations.

toll	<p>Payment to use a service, such as for a bridge or tunnel. A toll usually arises either to repay the capital cost of providing the service used, or as the result of an ancient right.</p> <p>Profits from running tolls are taxed as if they were a trade (Income Tax (Trading And Other Income) Act 2005s12).</p>
toll call	<p>American term for a long-distance telephone call.</p>
Tolley tax annuals	<p>Annual set of annuals for the main taxes and for tax-related topics, published by Tolley Publishing Ltd, part of Lexis Nexis.</p>
toll-free	<p>Description of something where no toll is charged, particularly where a toll is usual or has recently been charged.</p>
toll-free telephone number	<p>Telephone number to which the cost of the call is charged to the number being called and not to the caller. Such numbers are also called freephone numbers.</p> <p>In the UK such numbers usually start 0800.</p> <p>The first such numbers were introduced in the UK in 1960, having been introduced in the USA and Canada in the 1950s. From 1985, a toll-free number may be dialled directly without using a telephone operator.</p> <p>The DWP moved to toll-free numbers for its helplines during 2017.</p>
toll gate	<p>Gate where a toll is collected.</p>
toll road	<p>Road where a toll is charged for its use.</p> <p>From 6 April 1991, a toll road is specifically included in the definition of industrial building. Privately financed roads were included from 6 April 1995. This meant that they were eligible for the capital allowance for industrial buildings, which was phased out by 2011.</p>
tollway	<p>American term for a road where tolls are charged.</p>
Tolpuddle martyrs	<p>Six farm labourers who were deported for trade union activities in 1834. Tolpuddle is in Dorset.</p>
tomb	<p>Place of burial of a deceased person. From 15 July 1987, the cost of a tombstone or gravestone is allowed as a reasonable funeral expense within the meaning of Inheritance Tax Act 1984 s172.</p>
tombola	<p>Form of lottery, usually of low value, where tickets are issued and prizes given for winning tickets, randomly drawn.</p>
Tomlin order	<p>Court order that gives legal effect to a compromise agreement between the parties. The name comes from such a direction issued by Mr Justice Tomlin in 1927.</p>
Tommy shop	<p>Shop where vouchers provided by an employer may be exchanged for goods. These were generally allowed in 19th century under Truck Acts.</p>

Tom o'Bedlam	Old term for a man who was let out of a lunatic asylum and licensed to beg.
TOMS	Tour operator's margin scheme (for VAT).
Tom Tiddler's ground	Colloquialism for a place that lacks wealth.
ton	<p>(1) Imperial unit of weight. It is equal to 20 hundredweight or 2,240 pounds. It is the equivalent of 1,016 kilograms, and is therefore about 1.6% heavier than the metric tonne.</p> <p>This ton is sometimes called the long ton to distinguish it from the short ton of 2000 pounds used in the USA.</p> <p>A further distinction is between the word tonne meaning a metric ton equal to 1000 kilograms or 98.3% of a ton. Both words are produced as "tun".</p> <p>(2) Colloquialism for 100 miles per hours.</p>
Tonga	Island country in Pacific Ocean. Its currency is the pa'anga of 100 seniti. The UK does not have a double taxation treaty.
ton mile	Unit of measure used for charging freight to be carried on canals, as so much per ton per mile.
tone at the top	Term used in APB ES 1 to indicate by example and setting of internal culture the ethical standards of an audit.
tonnage	Cargo or freight-carrying capacity of a ship.
tonnage tax	<p>Optional method by which shipping companies may ring-fence their profits from shipping activities. Such activities are then taxed according to the tonnage of the ships and are not subject to corporation tax. For example, tonnage tax is 60p a day for each 100 tones up to 1000 tons.</p> <p>The ships are also not taxed on their chargeable gains or losses.</p> <p>A company may elect to use tonnage tax. There are many conditions that must be satisfied.</p> <p>The law is in Finance Act 2000 Sch 22.</p> <p>Guidance is given in the Tonnage Tax Manual, under reference TTM.</p>
tonne	Unit of weight equal to 1000 kilograms. This is about 2204 pounds, which is slightly less than the imperial ton which is 2240 pounds.
tontine	<p>Form of annuity shared by subscribers where the last to survive receives the whole amount.</p> <p>The system is named after the banker Lorenzo Tonti who introduced the scheme in France in 1653. Tontines were occasionally used in England in 18th and 19th centuries.</p>
too big to fail (TBTF)	<p>Term coined for financial institutions whose collapse would lead to serious national consequences and which therefore require government backing when they get into difficulties.</p> <p>The term was coined when Northern Rock reported difficulties in late</p>

2007.

too good to be true	One of the hallmarks of a tax planning scheme of which taxpayers are advised to be wary.
tool	In relation to trade tools , “means any implement, utensil or article” (Income Tax (Trading And Other Income) Act 2005 s68(3)).
tools of trade	Essentials to a person’s work which cannot be seized from a bankrupt.
toonie	Colloquialism for a Canadian two-dollar coin.
toothbrush scheme	<p>VAT avoidance scheme which was ended on 1 December 1994.</p> <p>Traders who make both taxable and exempt supplies are restricted on the partial exemption rules on the amount of input tax they may claim back unless their turnover was below the then limit of £600 a month. So many wholly exempt traders made some nominal sales of taxable products to come within the scope, and thus be able to claim back all their input tax. The term comes from dentists who avoided partial exemption by selling standard-rated toothbrushes.</p> <p>The scheme was ended by imposing a second condition that the taxable supplied must account for at least 50% of supplies.</p> <p>The irony is that many dentists found that sales of toothbrushes and other dental products were appreciated by patients and contributed usefully to their profits.</p>
tooth fairy	Fictitious creature that supposedly leaves a coin under the pillow when a child’s tooth is placed there. The term is sometimes used facetiously to allude to a non-existent source of funding.
TOP	ISO code for Tongan pa’anga.
top dog	Master, or most important person. The term is often used derogatively to mean a person who has appointed himself to this status.
top-down budget	In management accounting, a budget imposed by management without involving those who will implement the budget.
top hamper	Unnecessary weight on a ship’s upper deck.
top hat	Description of something which applies to the highest levels of an organisation only. The term is an allusion to the early 20th century practice of important people wearing top hats rather than other hats.
top hat pension	Pension scheme adapted for the most senior levels of an organisation.
top management	Senior management of an organisation.

topped crude	Crude oil after some of its lighter constituents have been removed by distillation.
top slice	Subtract funds before any other payments are made from it.
top-slicing relief	<p>Income tax relief that allows a large amount earned in one year to be spread over more than one year to reduce the amount paid at higher rates of tax.</p> <p>It is now largely restricted to assignment of life assurance policies (Income Tax (Trading and Other Income) Act 2005 from s535).</p> <p>There are other provisions, such as averaging for farmer's income and spreading copyright royalties, that are similar in form and purpose to top-slicing relief.</p> <p>It specifically applied also to lease premiums and sale of patent rights. Before 6 April 1991, the relief also applied to employment termination payments. It also applied to clawback of stock relief, which was abolished on 12 March 1984.</p>
top-up payment	<p>Any payment that is designed to supplement another payment so that the total is a predetermined figure.</p> <p>For childcare, the term is given a specific meaning under Childcare Payments Act 2014 s19.</p>
top-up trade credit insurance	Government facility introduced in the 2009 Budget to help restart the trade credit insurance market which had largely shut down in the economic crisis. The scheme offers a government pound for pound matching for trade credit insurance provisions.
TOR	Treaty of Rome.
ToR	Terms of reference.
TORO	Transfer of Rights and Obligations.
torr	Unit of very low pressures.
tort	Wrong for which compensation may be sought in a civil court. A common example is negligence .
tortfeasor	Person who commits a tort .
tortoise	Endangered animal. The importation of the animal or its products is generally prohibited under CITES convention .
tortuous	Having the nature of a tort .
torture	Crime of deliberately inflicting physical or mental pain on someone. It is illegal under Criminal Justice Act 1988 s134.

Tory	Member or supporter of the Conservative party. Historically, the word has had different meanings.
toss	Throw, particularly of a coin to make an arbitrary binary decision, such as who shall go first in a competition.
total	Figure derived from addition .
total absorption costing	In management accounting, the method of absorption costing where every overhead is considered in determining the price of the goods or services offered.
total account	Account which records totals taken from a ledger or prime book of account, and does not record each transaction separately.
total additional pay to date	For PAYE, "means the appropriate amount, established from an employer's code (where it is a K code to be used on the cumulative basis) and the taxables, to be added to the total payments to date in order to determine the total taxable payments to date" (PAYE Regulations SI 2003 No 2682 reg 2(1)).
total amount of income treated as received	In relation to the sale of occupation income, this term has a specific meaning in Income Tax Act 2007 s794(1).
total amount of the debt	In relation to PAYE, the total amount owing to HMRC which may be recovered by adjusting a tax code (PAYE regulations SI 2003 No 2682 reg 14D(3)).
total assets	Aggregate of fixed assets , current assets and other assets such as long-term investments and goodwill .
total assets turnover ratio	Accounting ratio which indicates how a business uses its assets. The figure is calculated as sales divided by total assets.
total assets usage	Sales divided by total assets.
total borrowing	The total amount a person has actually borrowed on their account. Total Borrowing = Agreed/Total Facility - Additional Borrowing.
total compensation profit	Term used in relation to compensation for compulsory slaughter of animals. The term is defined in Income Tax (Trading and Other Income) Act 2005 s225ZB.
total comprehensive income	"The change in equity during a period resulting from transactions and other events, other than those changes resulting from transactions from equity participants (equal to a sum of profit or loss or other comprehensive income)" (FRS 102 glossary).

total comprehensive income and profit or loss

“The arithmetical difference between income and expenses. It is not a separate element of financial statements, and a separate recognition principle is not needed for it” (FRS 102 section 2.43).

total cost

In management accounting, this is calculated in one of these ways:

- variable cost + fixed cost
- direct cost + indirect cost
- product cost + period cost.

total debtors account

The account which records the total amounts owed by debtors. It is calculated by adding the total for new debts and subtracting a total of cash received against debts, rather than by ascertaining how much is owed by each debtor.

total disability

Inability to undertake either occupational duties or aspects of normal day to day life. In an insurance policy providing cover against this contingency the definition applying to that contract is normally spelled out in detail. The exact definition may vary considerably between policies.

total dwellings

For stamp duty land tax, “is the total number of dwellings by reference to which **total dwellings consideration** is calculated” (Finance Act 2011 Sch 22 para 5(5)).

total dwellings consideration

For stamp duty land tax, “is —

(a) the total of the consideration attributable to dwellings for that transaction and all the other linked transactions that are relevant transactions, plus

(b) so much of the chargeable consideration for any of the linked transactions (whether or not relevant transactions) as is not included in the calculation under paragraph (a) but is attributable to the same dwellings by reference to which that calculation is made”

(Finance Act 2011 Sch 22 para 5(4)).

total free pay to date

For PAYE, “in relation to any date, means the appropriate amount, established from an employee’s code (where used on the cumulative basis) and the tax tables, to be subtracted from total payments to date to arrive at total taxable payments to date (and accordingly represents an appropriate pat of reliefs allowable against those payments)”
(PAYE Regulations SI 2003 No 2682 reg 2(1)).

total generated allowance for the relevant cluster area

This term is defined in Corporation Tax Act 2010 s356JK(6).

total income

Total of all income which is subject to income tax (Income Tax Act 2007 s23).

total intestacy

When no property can pass on a person’s death under the terms of the will, either because the person made no will, or the will is not valid. In such a case, the property passes under the Administration of Estates Act 1925 and

subsequent legislation as if the deceased was **intestate**.

total invoice value Total amount on an invoice, including all additions such as postage and VAT.

totalisator For pool betting duty, "a machine or instrument used for pool betting calculations, whether mechanically operated or not" (Customs notice 147).

total liabilities In accounting, **current liabilities** plus **long-term liabilities**.

total litre capacity Capacity of a vehicle's fuel tank.
From 1 November 2012, the penalty for improperly using **rebated fuel** in a vehicle is partly based on this capacity (HMRC Brief 29/12).

total loss When an insured item, particularly a ship, is lost in circumstances where nothing is **salvaged** (Marine Insurance Act 1906 s68).

total net tax deducted For PAYE, "in relation to the relevant payments made to an employee during any period, means the total tax deducted from those payments plus any tax accounted for in accordance with regulation 62(5) (notional payments), less any tax repaid to the employer"
(PAYE Regulations SI 2003 No 2682 reg 2(1)).

total overhead cost variance In management accounting, the difference between the budgeted overhead and the actual overhead. The variance is usually expressed as a percentage, may be considered for each cost centre and overall, and applies to both fixed and variable costs.

total payments to date For PAYE, "in relation to any date, means the sum of all relevant payments made by the employer to the employee from the beginning of the tax year up to and including that date"
(PAYE Regulations SI 2003 No 2682 reg 2(1)).

total pension input amount The aggregation of the pension input amounts in respect of each arrangement relating to an individual under a registered pension scheme of which the individual is a member.

total pensions savings amount Term used in connection with the abandoned **high income excess relief charge**.

total product cost In management accounting, **prime cost** plus **production overhead cost**.

Total Quality Management (TQM)

This usually involves the introduction of continuous monitoring. It refers to initiatives designed to improve the quality of products and services to meet customer's requirements.

total R & D aid	For the purposes of a tax avoidance provision, this term is defined in Corporation Tax Act 2009 s1113(3). The calculation is given in s1114.
total recognised gains and losses	Total of all gains and losses of the reporting entity attributable to shareholders recognised in a period (FRS 3).
total relevant turnover amount	<p>In relation to enterprise investment scheme, this term is defined in Income Tax Act 2007 s175A(8) as inserted by Finance (No 2) Act Sch 5.</p> <p>The same definition is used for venture capital trusts in Income Tax Act 2007 s280C(9) as inserted by Finance (No 2) Act 2015 Sch 6.</p>
total return	The combination of capital growth and reinvested income at the end of any given period. Total return performance figures are always stated on an offer-to-bid price basis.
total return swap	<p>Tax avoidance scheme whereby all or most of a company's profits are paid to an offshore company in the same group. This transfer is claimed as a business expense, reducing the company's liability to UK tax.</p> <p>There is an exception where a company uses intra-group derivatives to hedge derivative contracts with third parties.</p> <p>This scheme was made ineffective from 5 December 2013 by specific anti-avoidance legislation, as explained in an HMRC Technical Note of 13 December 2013.</p>
total taxable payments to date	For PAYE, "means total payments to date reduced by total free pay to date or, as the case may be, increased by total additional pay to date (where the employee's code is used on the cumulative basis)" (PAYE Regulations SI 2003 No 2682 reg 2(1)).
total tax to date	For PAYE, "means the tax due at any date in accordance with the appropriate tax tables in respect of any total taxable payments to date" (PAYE Regulations SI 2003 No 2682 reg 2(1)).
Tote	"Tote" is short for Totalisator, a system introduced to Britain in 1929 to offer pool betting on racecourses. It is dissolved by Horserace Betting and Olympic Lottery Act 2004 s1. Its full name is Horserace Totalisator Board.
totidem verbis	Latin: just so many words.
toties quoties	Latin: as often as something happens.
totitive	Number less than another and prime to it.
toto caelo	Latin: by the whole heaven. The term means totally opposed.

totting	Commercial activity of scavenging or otherwise searching through rubbish to look for items of realisable value.
totting up	Legal proceedings whereby minor offences are allocated points and a penalty is only imposed when a specified total is reached. The commonest example is being banned from driving on having 12 points imposed.
touchpad	Computed-based device which operates from touching parts of a display. Most mobile phones and satnavs are touchpads.
touch typing	Typing without looking at the keys.
toujours perdrix	French: partridge every day. An expression that means "too much of a good thing".
touring company	In relation to theatre tax credits , is a company that gives at least 14 theatrical performances in at least 6 premises. (Corporation Tax Act 2009 s1217K(6)).
touring exhibition	<p>In relation to museums and galleries exhibition tax relief, the term is defined in Corporation Tax Act 2009 s1218ZAB.</p> <p>The main conditions are that the exhibition is held at two or more venues, at least 25% of objects or works displayed at the first venue are displayed at subsequent venues, and that there is gap of no more than six months between exhibitions.</p>
Tour Operator	A travel agent acting as principal, including those acting as undisclosed agents; or a person providing, for the direct benefit of a traveller, services of a kind enjoyed by travellers and commonly provided by tour operators or travel agents.
Tour Operator's Margin Scheme (TOMS)	Special VAT scheme which may be used by businesses which buy in and resell travel, accommodation and related supplies (Value Added Tax Act 1994 s53).
tout au contraire	French: quite to the contrary.
touting	Seeking business by approaching potential customers. For certain sports tickets, this is a criminal offence. It is also an offence for an unlicensed taxi driver.
TOW	Transport on water.
towage	Fee for towing. This is generally zero-rated under Value Added Tax Act 1994 Sch 8 Group 8.
tower structure	<p>In relation to controlled foreign companies (CFCs), means a corporate financing structure involving intragroup loans between UK and US companies, and the use of the US "check the box" option.</p> <p>The tax implication is discussed in HMRC guidance and supplementary</p>

	guidance issued in 2014.
town and country planning	Series of laws that require planning permission for certain developments on land.
town-cramming	Practice of trying to put too much buildings on the land available.
town development subsidy	A subsidy that could be paid by central government to a housing authority under Housing Finance Act 1972 s1.
town gas	Coal gas produced by a local authority until the gas industry was nationalised in 1948.
toxicity charge (T-charge)	<p>A charge for driving certain vehicles in the low emission zone in central London. It is additional to the congestion charge. Unlike the congestion charge, the T-charge applies at all hours on all days.</p> <p>The charge was introduced on 23 October 2017 at a rate of £10 a day for more polluting vehicles. These are likely to be vehicles registered before 2006.</p> <p>This is to be replaced by the ultra low emission zone from 8 April 2019.</p>
TP	<p>(1) Taxpayer. This abbreviation is widely used by HMRC such as for noting details of telephone calls.</p> <p>(2) Third party. This abbreviation is used in Corporation Tax Act 2009 s133D as inserted by Finance (No 2) Act 2015 s18.</p>
TPA	Transfer of personal allowance.
TPC	Prefix for HMRC's television production company manual.
TPD	<p>(1) Tobacco Products Duty, an excise duty chargeable on tobacco products.</p> <p>(2) Transvaal Provincial Division Reports, law reports published between 1902 and 1946.</p> <p>(3) Prefix for HMRC's manual on tobacco products duty.</p>
TPDA	Tobacco Products Duty Act 1979.
tph	Trains per hour.
TPI	Tax and Prices Index.
TPIM	Terrorism Prevention and Investigation Measure (Terrorism Prevention and Investigation Measures Act 2011 s2).
TPIM notice	Notice that may be imposed under Terrorism Prevention and Investigation Measures Act 2011 s2.
TPO	<p>(1) Total power output. This term is used in Climate Change Levy (General) Regulations 2001 Sch 3.</p> <p>(2) Tree Preservation Order.</p>

TPS Report	Document used in software engineering to describe the procedures and processes for testing the system. The letters stand for Transaction Processing System.
TPUK	Trade Partners UK. This was the division of British Trade International (BTI) responsible for promoting UK exports. In October 2003, BTI was renamed "UK Trade and Investment" and the Trade Partners UK identity fell out of use.
TPY	Total quantity of tobacco products removed for home use in a period of 12 months, an abbreviation used in Tobacco Products Duties Act 1979 s6A.
TQ	Tariff Quota. These are a form of EC preference under which limited amounts of specified goods may be admitted to free circulation at reduced or nil rates of duty and/or CAP levy within a given period. The limit may be expressed in units of weight, volume, quantity or value. Once a quota has been exhausted, the commodity may still be imported, but duty or levy is charged at the non-quota rate.
TQM	Total quality management.
TQSN	Tariff Quota Serial Number. This is the specific number given to each separate Tariff Quota to allow claims to each quota to be readily identified.
TR	(1) Trust rate. This abbreviation for the rate applicable to trusts is used in Income Tax Act 2007 s496B. (2) All the rights of unit trust holders. This abbreviation is used in the formula in Corporation Tax Act 2009 s973(2).
tr	Abbreviation: transaction.
TRA	(1) Trade Remedies Authority (Taxation (Cross-border Trade) Act 2018 s13(1)). (2) Tobacco Retailers Alliance.
Trachtenberg System	System of simplified mathematics developed by Jakow Trachtenberg (1888-1953).
tracing property	Seeing what happens to property, as may be necessary in establishing whether there has been a gift with reservation for inheritance tax.
tracing value	Provision in relation to taxation of UK land transactions. Details are set out in Corporation Tax Act 2010 s356OM.
tracked vehicle	Road vehicle which is category H on the driving licence.
tracker fund	In investing, fund which is designed to track an index, such as FT-SE 100 index.

- tracking device** Device which is attached to a car in a place not known even to its owner and which can locate the car if stolen.
- track record** Record of how well a fund, person or organisation has performed. The term comes from sport.
- tractor** A category of **excepted vehicle** that may use fuel on which **hydrocarbon oil duty** has not been paid (such as **red diesel**).
The vehicle must be “designed and constructed primarily for use otherwise than on roads. It must be used on public roads solely for:
(a) purposes relating to agriculture, horticulture or forestry,
(b) cutting verges bordering **public roads**, or
(c) cutting hedges or trees bordering public roads or bordering verges which border public roads” (Customs notice 75).
For excise duty purpose, tractors and other farm vehicles are defined in Hydrocarbon Oil Duties Act 1979 Sch 1. **Agricultural tractor** is defined in para 2.
- trade** *Definition*
Commercial activity. The term has never been exhaustively defined for legal or tax purposes, but most applications follow a Royal Commission report which identified six badges of trade. These involved consideration of:
(a) subject matter of realisation;
(b) length of ownership;
(c) frequency of transactions;
(d) supplementary work;
(e) circumstances which were responsible for the realisation; and
(f) motive.
For example, the sale of a person’s car is not a trade, even if he or she has worked on it. However reselling cars can become a trade, particularly if it happens frequently and there seems to be a pattern of trade.
Similarly VAT is only charged on trading activities, not on income from other sources such as a hobby.
- Statutory definitions*
For tax, “includes every trade, manufacture, adventure or concern in the nature of trade” (Taxes Management Act 1970 s118(1)).
Some additional comments are provided in Corporation Tax Act 2009 s298 regarding **loan relationship**.
- Some case law*
An isolated transaction of the sale of whisky was held to be a trade as there was a clear profit motive. *CIR v Frazer [1942] 24 TC 948*.
The occasional sale of land to the government was not trading. *Hudson Bay Co Ltd v Stevens [1909] 5 TC 424*.
The sale of a house that a trader intended to live in, but then changed his mind and sold at a profit, was not trading. *Taylor v Good [1974] STC 148*.
An insurance company was trading when it bought and sold shares. *CIR v Scottish Automobile & General Insurance Co Ltd [1931] 16 TC 381*.

The sale of a large quantity of paper by a money lender was a trade. *Rutledge v CIR [1929] 14 TC 490.*

The sale of a large quantity of government surplus aeroplane linen by a merchant of agricultural machinery was trading even though it did not relate to his trade. *Martin v Lowry [1926] 11 TC 297.*

A syndicate of three individuals were trading when they bought quantities of two different brandies to be blended, bottled and sold. This was not an investment. *Cape Brandy Syndicate [1921] 12 TC 358.*

tradeable asset	Asset given to an employee by or on behalf of the employer. This usually triggers a liability to income tax and national insurance.
trade agreement	International agreement between countries over trading terms.
trade association	<p>“Organisation formed for the purpose of furthering the trade interests of its members, or of persons represented by its members” (Companies Act 2006 s375(2)).</p> <p>Payments to such bodies are not regarded as political expenditure, even if the trade association engages in political activity.</p> <p>The VAT position is explained in VAT leaflet 701/5.</p>
trade barrier	Limit imposed by a government which restricts trade between that country and other countries. The commonest example is a restriction on imports.
trade bill	Bill of exchange issued between two companies which trade with each other. One company endorses the other's bills.
trade board	Committee of workers and management that were once set up under an Act of Parliament to consider labour conditions in a particular industry.
trade body	Another name for a trade association .
trade classification	<p>Four digit code which classifies the nature of different businesses. From 1990, such a code is allocated when a company registers at Companies House. The code is also used for VAT purposes.</p> <p>The first two digits indicated the Group of activity. For example 00 indicates agriculture, forestry and fishing. Trade classification 0011 is livestock farming.</p>
trade controls	<p>“In relation to any goods, means the prohibition or regulation of:</p> <p>(a) their acquisition or disposal;</p> <p>(b) their movement; or</p> <p>(c) activities which facilitate or are otherwise connected with their acquisition, disposal or movement (Export Control Act 2002 s4(2)).</p>
trade counter	Counter in a shop which is reserved for supplying businesses rather than consumers.

trade credit	Normal trading terms offered by a company to its customers, such as where invoices are issued for payment at the end of the month.
trade creditors	Persons who supply goods or services to a business in the normal course of trade and allow a period of credit before payment must be made.
trade cycle	The trade cycle is the fluctuations in the rate of economic growth that take place in the economy. These fluctuations appear to occur around every five years and have probably occurred ever since economies have occurred! It is the aim of all governments to try to dampen the effects of the trade cycle and get more balanced long-term growth, but so far they have had limited success. The peak of the trade cycle is usually referred to as a boom, and the trough as a recession or depression.
trade date	Date on which an organisation becomes committed to buy an asset.
trade debt	Sum owed by one business to another from normal trading activities. A trade debt assigned to an employee is taxed as gross pay under the PAYE system from 2 July 1997.
trade debtors	Persons who buy goods or services from a business in the normal course of trade and are allowed a period of credit before payment is due.
trade deficit	Difference between a country's exports and its imports.
trade description	Description of a product or service offered for sale. It is an offence for this description to be false or misleading. This law was originally enacted as Trade Descriptions Act 1972.
trade dispute	Dispute between workers and their employer. Provided the dispute is within a legally defined range of issues, the workers have protection from being sued for tort . Many of the legal implications are explained under strike . An employee engaged in a trade dispute is not entitled to any tax rebates generated under the PAYE scheme (PAYE Regulations SI 2003 No 2682 reg 64). The PAYE implications on a business succession are given in reg 104.
Trade Disputes Act	Law passed in 1927 which made sympathetic strikes illegal. The Act was repealed in 1946, though sympathetic strikes have again been made illegal.
trade dollar	United States silver dollar minted until 1887 specifically for trade with the Far East.
traded option	An option which may itself be bought and sold as a security.
trade dress	Term used in the USA and some other jurisdictions to mean the appearance of a consumer product. An action may be brought for producing a product that copies the trade dress. In the UK, the law is called passing off . It is not readily enforced as can be seen by walking round almost any supermarket shelves.

traded services	In management accounting, a service that has a zero budget and has to generate sufficient income from the delivery of services to paying customers to cover their total costs.
trade discount	Reduction in price given to a customer in recognition of that customer's trade.
trade dispute	<p>"A dispute between employers and workers, or between workers and workers, which is connected with one or more of the following matters:</p> <ul style="list-style-type: none">(a) terms and conditions of employment, or the physical conditions in which any workers are required to work;(b) engagement or non-engagement, or termination or suspension of employment or the duties of employment, of one or more workers;(c) allocation of work or the duties of employment as between workers or groups of workers;(d) matters of discipline;(e) the membership or non-membership of a trade union on the part of a worker;(f) facilities for officials of trade unions; and(g) machinery for negotiation or consultation, and other procedures, relating to any of the foregoing matters, including the recognition by employers or employers' associations of the right of a trade union to represent workers in any such negotiations or consultation or in the carrying out of such procedure"<p>(Trade Union and Labour Relations (Consolidation) Act 1992 s218 and s244).</p>
traded option	<p>Option that is a security in its own right, as against a traditional option.</p> <p>The capital gains tax implications are given in Taxation of Capital Gains Act 1992 from s143.</p>
Trade Facility Warehouse	Approval is restricted to the specific needs of an export shop. The qualifying criteria of a general storage and distribution warehouse, is not required for this type of warehouse.
trade fair	Exhibition of goods and services relating to a particular trade.
trade fixture	Fixture attached to a property by a tenant for the purpose of a trade. The tenant may remove trade fixtures at any time during the tenancy.
trade gap	Another term for trade deficit .
trade income relief	Carry-forward trade loss relief plus terminal trade loss relief (Income Tax Act 2007 s95(3)).
trade in question	<p>Term used in Income Tax Act 2007 s294(5) in relation to VCT relief.</p> <p>It refers to the trade of the company in which funds are invested, and means either the trade itself or preparations for a trade. Such a trade must not be in an area which is excluded from relief.</p>

trade investments	In the context of controlled foreign companies, “means securities any profit on the sale of which would not be brought into account as a trading receipt in computing the chargeable profits of an accounting period in which that profit arose” (Income and Corporation Taxes Act 1988 Sch 25 para 11(5)).
trade journal	Publication for those engaged in a particular trade.
trade liberalisation	Economic term for process whereby a country relaxes protectionism and other restrictions on free international trade.
trade-machinery	Any machinery used in a factory or workshop as defined in Bills of Sale Act 1878 s5.
trade mark	Name, logo or similar which identifies the make or model of a product (Trade Marks Act 1994). A company may be able to claim tax relief for expenses related to a trade mark (Corporation Tax Act 2009 s90).
trade mission	Visit by a group of people to a country to discuss trade.
trade name	Name which identifies the make or model of a product or service.
trade-off	Negotiation where one liability is set against another. The plural is trade-offs.
trade or professional compensation fund	In relation to inheritance tax, “means a fund which is maintained or administered by a representative association of persons carrying on a trade or profession and the only or main objects of which are compensation for or relief of losses or hardship that, through the default or alleged default of persons carrying on the trade or profession or of their agents or servants, are incurred or likely to be incurred by others” (Inheritance Tax Act 1984 s58(3)).
trade payables	Amounts due to suppliers (trade creditors), also called accounts payable .
trade preference scheme	A preferential rate of import duty unilaterally established by the UK government under Taxation (Cross-border Trade) Act 2018 s10.
trade price	Price at which a business is prepared to sell its products or services to someone in a particular trade or in business generally.
trade profits	When earned by an individual or a partnership, these are subject to income tax (Income Tax (Trading And Other Income) Act 2005 from s5).
trade protection association	Organisation to protect the interests of its members who are trading bodies. There are some special tax arrangements which are discussed in the Inspectors' Manual at BIM24805. See also Lochgelly principle .
trader	Person who buys or sells items for profit in the course of a trade . For the purposes of consumer protection, the term “means a person acting for purposes relating to that person's trade, business, craft or

profession, whether acting personally or through another person acting in the trader's name or on the trader's behalf" (Consumer Rights Act 2015 s2(2)).

Trader Account Payment System

System which provides national information on excise traders' accounts and payment details.

trade receivables Amounts due from customers (**trade debtors**), also called *accounts receivable*.

trade related property

Property whose nature is essential for the trade. Examples include pubs, hotels, cinemas, theatres, petrol stations, care homes and restaurants.

HMRC takes the view that where such a property is sold, a distinction should be made between the goodwill of the business and the enhanced value of the property.

trader seal

Seal of an authorised trader which HMRC may allow the trader to use instead of a Customs official seal. Details are given in Customs notice 205.

trade secret

Knowledge used in a business which judges that public knowledge would be harmful to its commercial interests. A business is generally not required to disclose such a secret in any legal proceedings or tax investigation.

trade surplus

Amount by which a country's exports exceeds its imports.

trade terms

Terms of business under which two companies do business.

trade tools

Tools that are used in a trade.

The income tax position is explained in Income Tax (Trading And Other Income) Act 2005s68.

The corporation tax position is explained in Corporation Tax Act 2009 s68.

trade union

Definition

An organisation which "consists wholly or mainly of workers of one or more descriptions and whose principal purposes include the regulation of relations between workers of that description or those descriptions and employers or employers' associations" or a body which comprises such organisations (Trade Union and Labour Relations (Consolidation) Act 1992 s1).

A trade union is not a corporate body but has a similar ability to make contracts, to sue and to be sued (ibid s10(1)).

Payments to

Subscriptions to a trade union are not tax deductible except to the extent that they relate to superannuation, life insurance or funeral benefits (Income Tax Act 2007 s457).

Value added tax

Their VAT liability is explained in VAT leaflet 701/5.

trade union activities

Work undertaken by an official of a trade union in that capacity but not including any industrial action (Trade Union and Labour Relations

(Consolidation) Act 1992 s170). The official has the right to paid leave for such work under *ibid* s168.

trade union dues

Subscription paid by a member of a trade union.

An employer may agree to collect these from wages and pass them directly to the trade union. This arrangement is widely known as **check-off**. An employer is not required to operate the system, and must cease making deductions for any employee as soon as possible after the employee notifies the employer.

The payment must be authorised in writing by the employee before the first deduction is made. From 23 June 1998, the notification for trade union dues is the same as for other authorised deductions for wages.

For the period from 30 August 1993 to 22 June 1998, there were additional provisions which had to be followed for check-off, such as requiring the employee to renew the authorisation every year.

Some trade unions collect a **political levy** in addition to the normal dues. This goes to a political party supported by the trade union, which is almost always the Labour party. Under Trade Union and Labour Relations (Consolidation) Act 1992 s86, an employee has the right not to pay this political levy. An employee who believes that the political levy is being deducted unlawfully may appeal to an employment tribunal.

trade union register of members

A list of members which every trade union must compile and maintain under Trade Union and Labour Relations (Consolidation) Act 1992 s24.

trade value at balance sheet (TVBS)

The value of an item as trading stock at the day the trader makes up his balance sheet. This is widely used in the second-hand car trade.

For the purposes of income tax and corporation tax, TVBS may be used to value cars accepted in **part exchange**.

trade value

Value of an item as a trader's stock. The term is widely used for second-hand cars.

trade-weighted index

Index of the value of a currency against a **basket of currencies**.

trading

Commercial activity of buying and selling.

trading account

Any account which shows the pattern of trading for a period. The most common form is the **profit and loss account**.

In older forms of bookkeeping, a separate trading account was prepared. The profit and loss account was credited with the gross profit from the trading account.

trading certificate

Document issued by Companies House to a **public company** under Companies Act 2006 s761.

A public company may not do any business nor borrow any money until it has this certificate. There is no such restriction for private companies.

trading company	<p>Company set up for a commercial purposes, as against a charity, professional body, trade association or similar.</p> <p>In the context of employee-controlled companies, means “a company whose business consists wholly or mainly of the carrying on of a trade or trades” (Income Tax Act 2007 s397(6)). The same definition is used for distributions in Corporation Tax Act 2010 s185.</p> <p>For the oil industry, a definition appears in Corporation Tax Act 2010 s279H(4).</p>
trading disclosures	<p>Term used in Companies Act 2006 s1051 in relation to those matters that an overseas company operating in the UK may be required to disclose under regulations.</p>
trading estate	<p>Area of land designated for the purpose of commercial activities.</p>
trading financial assets	<p>Financial assets held for the purpose of producing a profit.</p>
trading group	<p>“A group the business of whose members, when taken together, consists wholly or mainly in the carrying on of a trade or trades” (Income Tax Act 2007 s151(1)).</p>
trading group	<p>In the context of employee-controlled companies means “a group the business of whose members taken together consists wholly or mainly of the carrying on of a trade or trades (taking a group to consist of a company with one or more 75% subsidiaries and those subsidiaries)” (Income Tax Act 2007 s397(6)).</p>
trading income	<p>Term used for income tax purposes for the profits from a trade. Before 6 April 2005, this was known as Schedule D Case I.</p> <p>For corporation tax, the term is stated in Corporation Tax Act 2009 from s34.</p> <p>The term is used in the Inspectors' Manual from BIM40051. This states that the term includes “most receipts in the hands of a person carrying on a trade etc... from the disposal of trading stock, provision of services etc”. In marginal cases, two questions should be asked:</p> <ul style="list-style-type: none">• does the sum at issue arise from the trade at all?• if it does, is it a capital or revenue item?
trading income resources	<p>Term used in Income Tax Act 2007 s528 in relation to charitable trusts.</p>
trading income through third parties	<p>Income tax provisions are set out in Income Tax (Trading and Other Income) Act 2005 s23A as added by Finance (No 2) Act 2017 s35(2).</p>
trading in financial assets and financial liabilities	<p>Buying, selling, issuing or holding financial assets and liabilities to take advantage of short-term changes in market prices, or to facilitate customer transactions (FRS 13).</p>

trading interest	Interest paid by a company on loans to fund its trading. Such interest is an allowable tax deduction in the loan relationship rules of Corporation Tax Act 2009 Part 5.
trading justice	Term used in 18th century for people who sought the office of justice of the peace (magistrate) primarily to advance their trading interests.
trading limit	Maximum amount of liability which may be incurred by a trader.
trading loss	Loss which a business sustains from its trading activities. “Loss made in a trade in the surrender period” (Corporation Tax Act 2010 s100(1)). S100(2) goes on to exclude a loss made overseas and some other reliefs.
trading partner	Person, business or country with whom a person engages in trade.
trading profit	Profit which a business earns from its trading activities.
trading requirement	Requirement that a tax relief for investment in a company depends on that company trading, particularly the condition for EIS relief set out in Income Tax Act 2007 s181.
trading stamp	Special stamp issued by a shop according to the value of purchases made. These are collected in books which may be redeemed for goods or cash. The practice dates back to 1895 in the USA, though they did not become popular until the 1960s in the UK. The first and most popular stamp was Green Shield Stamps. They ceased to be popular when Tesco discontinued giving them in 1977. They were completely discontinued in 1991. Some stores offer loyalty cards as a modern equivalent. Trading stamps were regulated in Great Britain by Trading Stamps Act 1964, repealed from 6 April 2005. In Northern Ireland, they were regulated by Trading Stamps (Northern Ireland) Act 1965. There are special VAT provisions in Value Added Tax Act 1994 s52. Value Added Tax (Trading Stamps) Regulations SI 1995 No 3043 abolished special rules that applied to supplies in return for trading stamps. The change took effect from 1 June 1996. The effect is that stamps are treated in the same way as any other discount voucher.
trading stock	Corporation tax Stock and property used to make the goods or services of a business (Income and Corporation Taxes Act 1988 s100(2) and Corporation Tax Act 2009 s156). For corporation tax, the term “includes, also any services performed in the ordinary course of the trade — (a) the performance of which is wholly or partly completed at the time of the cessation, and (b) for which it would be reasonable to expect that a charge would be made if there were no cessation and, in the case of partly completed services, their performance were fully completed, and any article produced, and any material used, in the performance of such

services" (Corporation Tax Act 2009 s1632(2)).

Income tax

The term "in relation to a trade, means anything (whether land or other property) —

(a) which is sold in the ordinary course of trade, or

(b) which would be so sold if it were mature, or its manufacture, preparation or construction were complete"

(Income Tax (Trading and Other Income) Act 2005 s172A(1).

"It does not include —

(a) materials used in the manufacture, preparation or construction of any such thing,

(b) any services performed in the ordinary course of the trade, or

(c) any article produced, or any material used, in the performance of such services" (Income Tax (Trading and Other Income) Act 2005 s172A(2)).

For trading stock on cessation of trade, the definition of s172A(1) is repeated as s174(1).

trading stock appropriated by trader

The trader must account for such stock on the basis of its selling price and not its cost (Income Tax (Trading and Other Income) Act 2005 s172B).

trading stock appropriations

In relation to the taxation of securities under the **accrued income scheme**, this term is explained in Income Tax Act 2007 s650.

trading test

Test designed to determine whether an activity is taxable as a trade. The term is particularly used in relation to illegal activities. It is discussed in the Inspectors' Manual at BIM22007.

trading vehicle

Term sometimes used to indicate the legal status of a trading body, such as sole trader, partnership, unlimited company, limited company etc.

trading with the enemy

Making a commercial arrangement with a person, public body or commercial organisation based in a country with which the UK is at war. It is a criminal offence under Trading with the Enemy Act 1939.

traditional option

Right to acquire a share or security at a future date, usually at a price already agreed. A traditional option is not itself a saleable security, unlike the **traded option**.

traditional taxes

Term for taxes that were levied without Parliamentary approval, even though this has been required since Magna Carta 1215. The last two such taxes were tunnage and poundage which were given statutory recognition in 1658.

traffic offences

Offences relating to driving vehicles.

trailblazer

In relation to apprenticeship levy, a body that develops an **apprenticeship standard**.

trailer	<p>Vehicle without an engine which attaches behind another vehicle to provide additional cartage. This may be towed by a car under certain conditions.</p> <p>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.</p> <p>There are also regulations regarding the construction and use of trailers.</p> <p>There are registration provisions in Haulage Permits and Trailer Registration Act 2018 from s13. For this Act, trailer "means anything on wheels which is intended or adapted to be drawn by a motor vehicle" (Haulage Permits and Trailer Registration Act 2018 s13(3)).</p>
trainee	Person who is being trained to do a job
train fares	These are zero-rated under Value Added Tax Act 1994 Sch 8 Group 8.
training	<p><i>General</i></p> <p>Activities which are designed to make a person able to perform certain duties or occupations. It differs from education in being related to specific work.</p> <p><i>Benefit in kind</i></p> <p>Work-placed training may be exempt from the rules about taxable benefits in kind under provisions in Income Tax (Earnings And Pensions) Act 2003 from s250.</p>
Training Agency (TA)	Name briefly given to what was the Manpower Services Commission in 1987 before it was wound up in 1990.
training and enterprise councils (TECs)	<p>Local bodies established in 1989 in England and Wales to provide training programmes previously offered by the Manpower Services Commission. They ran programmes such as Youth Training Scheme (YTS) and the first modern apprenticeships.</p> <p>Between 1 April 1990 and 31 March 2000, a company could claim tax relief for contributions to a TEC.</p> <p>TECS were abolished in 2001 under Learning and Skills Act 2000. Their functions were taken over by the Learning and Skills Council and its Welsh equivalent. This was itself abolished in 2009 and its functions transferred to Young Peoples Learning Agency.</p>
training course	<p>Consideration needs to be given on:</p> <ul style="list-style-type: none">• whether this is an allowable business expense; and• whether this is a taxable benefit in kind for the employee. <p>The former is discussed in the Inspectors' Manual at BIM 42526. The tax allowability for food and accommodation is discussed at BIM 45047.</p>
training levy	Sum which certain businesses must pay to a training board in their area of business.

training materials	<p>“Includes stationery, books or other written material, audio or video tapes, compact disks and floppy disks” (Income Tax (Earnings And Pensions) Act 2003 s254(3)).</p> <p>The provision of such materials as part of work-related training may be exempt from tax.</p>
training mode	<p>Term used in EPOS systems used by retailers to train check-out staff.</p> <p>This allows the equipment to be used to check-out purchases in the normal way but without entering the details as genuine sales.</p>
training officer	<p>Person who oversees the training of staff within an organisation.</p>
training programme	<p>This is specifically excluded from the scope of television production relief (Corporation Tax Act 2009 s1216AD(1)).</p> <p>It is defined as “any programme produced for training purposes” (Corporation Tax Act 2009 s1216AD(7)).</p>
training-related asset	<p>Asset used in relation to work-related training, and whose provision by an employer may be exempt from income tax (Income Tax (Earnings And Pensions) Act 2003 s254(2)).</p>
tramway	<p>For capital allowances, this is specifically excluded from the scope of plant and machinery (Capital Allowances Act 2001 s22(1) List B).</p>
tranche	<p>Series of instalments or amounts in relation to loans, payments and similar.</p>
transaction	<p>Any activity or accounting adjustment requiring an entry in the financial records.</p>
transaction at undervalue	<p>The Pensions Regulator may make a restoration order under Pensions Act 2004 s52.</p>
transaction charge	<p>Charge made by a bank for each transaction, in addition to any account maintenance charge.</p>
transaction connected with VAT fraud	<p>A person who enters into such a transaction, and where other conditions are met, may be subject to a tax penalty under Value Added Tax Act 1994 s69C as inserted by Finance (No 2) Act 2017 s68(2).</p>
transaction costs	<p>Costs which are directly related to specific transactions, particularly buying and selling assets. Such costs include delivery, installation, instruction into use and commissions.</p> <p>In relation to accounting for financial instruments, “incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability, or the issue or reacquisition of an entity’s own equity instrument. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial asset or liability, or had not issued or reacquired its own equity instrument”</p>

(FRS 102 glossary).

- transaction date** Date on which a transaction is regarded as taking place. This can be important for determining the period in which it is taken into the accounts and subject to any tax implications.
- transaction in land** Anti-avoidance provisions are given in Income Tax Act 2007 from s752.
- transaction in securities (TiS)** For tax purposes, transactions in securities are subject to Corporation Tax Act 2010 ss682 to 687.
A transaction includes:
- the purchase, sale or exchange of securities;
 - issue of new securities;
 - applying or subscribing for new securities;
 - altering the rights of securities.
- It does not include the payment of dividends or other distributions, nor the distribution of funds on liquidation.
There are similar provisions in Income Tax Act 2007 from s682.
- transactions in securities** For HMRC data-gathering powers, the term “means transactions, of whatever description, relating to securities, and includes in particular —
(a) the purchase, sale or exchange of securities,
(b) issuing or securing the issue of new securities,
(c) applying or subscribing for new securities, and
(d) altering or securing the alteration of rights attached to securities”
(Finance Act 2011 Sch 23 para 19(4)).
- transaction to obtain allowances** Transaction where someone is only a party as a means of obtaining a capital allowance that would otherwise not be available.
- transaction value** Value used to determine the amount on which Customs duty is payable, provided the method is possible to use. It is the first preference to determine **import value**.
For import duty, this is “the total amount of the consideration —
(a) payable for the goods, or
(b) payable in connection with the importation of the goods into the United Kingdom” (Taxation (Cross-border Trade) Act 2018 s16(3)).
- transcode** In computing, to convert data from one digital format to another.
- transfer** Moving something or someone from one place to another. The commonest uses are when funds are moved between accounts and when employees are moved between departments.
The term is also specifically used in Companies Act 2006 s776 to mean a document that transfers ownership of shares. Such a document usually requires payment of **stamp duty**.

transferability	The extent to which a share or other security may be transferred to another person. For company shares, this is regulated by Companies Act 2006 s544.
transferable	Able to be transferred.
transferable amount	<p>Amount of personal allowance that may be transferred between partners to a marriage or civil partnership under the rules for transferable tax allowance.</p> <p>The amount is defined as £1,050 for 2015/16 tax year, and 10% of the personal allowance for subsequent years (Income Tax Act 2007 s55B(4) as inserted by Finance Act 2014 s11).</p>
transferable tax allowance	<p>Part of an otherwise unused personal allowance for income tax that may be transferred between partners to a marriage or civil partnership.</p> <p>The transfer is of an amount equal to one tenth of the personal allowance for that year. The amount may only be transferred if neither partner is a higher rate taxpayer.</p> <p>These provisions apply from 6 April 2015. The law is Income Tax Act 2007 ss55A-55E as inserted by Finance Act 2014 s11.</p>
transfer book	Register of transfers, particularly of property or shares.
transfer case	File made of tough paper used for storage of bulk documents.
transfer controls	<p>“In relation to any technology, means the prohibition or regulation of its transfer:</p> <ul style="list-style-type: none">(a) by a person from a place within the United Kingdom to a person or place outside the United Kingdom;(b) by a person or from a place outside the United Kingdom to a person who, or a place which, is also outside the United Kingdom (but only where the transfer is by, or within the control of, a United Kingdom person);(c) by a person or from a place within the United Kingdom to a person who, or a place which, is also within the United Kingdom (but only where there is reason to believe that the technology may be used outside the United Kingdom); or(d) by a person or from a place outside the United Kingdom to a person or place within the United Kingdom (but only where the transfer is by, or within the control of, a United Kingdom person and there is reason to believe that the technology may be used outside the United Kingdom). <p>(Export Control Act 2002 s2(2)).</p>
transfer date	Date on which assets are transferred. This date can be important for capital gains tax and inheritance tax in determining such matters as period of ownership and the rate of tax payable.
transfer day	Day for registering transfers of bank stock and government funds at the Bank of England.
transferee	Person to whom property is transferred.

- transferee company** Company to which the whole or part of its undertaking or property is transferred in an amalgamation or reconstruction (Companies Act 2006 s900(1)).
For inheritance tax and close companies, the term is given a specific meaning in Inheritance Tax Act 1984 s95.
- transfer fee** Amount paid to secure the services of a sportsman in a team. Such fees are particularly common in football.
The sums represent an intangible asset for the sports club. As such the sum must be accounted for under the provisions of FRS10. For tax purposes, the amount is regarded as any other capital asset. Before 1999, clubs were allowed to regard such expenditure as revenue. That has now been outlawed. However, Finance Act 1996 s63 introduced a transitional provision for transfer fees after 31 March 2002. The matter is discussed in the Inspectors' Manual at BIM34090.
- transfer freight manifest** Removal authority for airfreight consignments which are to be transferred from one **transfer shed** to another before going to their final destination.
- transfer journal** Term for an ordinary **journal** to distinguish it from other books of account which function as a journal.
- transfer lump sum death benefit**
A lump sum benefit paid from a money purchase arrangement for the benefit of another member of the same pension scheme following the death of a scheme member (or a dependant of such a member), who is aged 75 or over, which meets the conditions of paragraph 19, Schedule 29 to the Finance Act 2004. Such a lump sum cannot be paid where there is still a surviving dependant of the member.
- transfer notice** Notice from HMRC transferring the PAYE liability of a **managed service company** under the provisions of PAYE regulations SI 2003 No 2682 from reg 97C.
- transfer of a going concern (TOGC)**
- Definition*
Disposal of a business as a business rather than a disposal of just its assets.
- Accounting*
In accounting, a TOGC is likely to be at a price greater than the value of its net assets. The excess, which is derived from its ability to trade, is known as **goodwill**.
- Value added tax*
In VAT, there is a special provision which ensures that no tax is charged on a TOGC, though VAT is usually chargeable on a disposal of assets (Value Added Tax Act 1994 s49). This is because the transfer is not regarded as a supply.
It should be noted that these provisions only apply if:
- the business was a going concern when transferred, so the

disposal of a closed pub or shop is not a TOGC

- the whole business must be transferred, and not just its assets
- the same business must be carried on after the transfer, so there is no TOGC if, for example, a cafe continues as an up-market restaurant.

Further provisions are made in SI 1995 No 1268.

Guidance has been given in HMRC Briefs 30/2012 and 27/2014.

Company law

In company law, directors may make special provision for employees in a TOGC under Companies Act 2006 s247.

Employment law

In employment law, the employees may be protected under Transfer of Undertakings (Protection of Employment) Regulations 1981.

transfer of an income stream	The income tax provisions are set out in Income Tax Act 2007 from s809ZA.
transfer of assets abroad	Common means of tax avoidance. Anti-avoidance provisions are set out in Income Tax Act 2007 from s714.
transfer of business assets	Transfer of assets used by a business but which fall short of transferring the entire business. For capital gains tax, the tax treatment is given in Taxation of Capital Gains Act 1992 from s152.
transfer of economic benefits	In accounting, a requirement for an item to be regarded as a liability . In most cases, the transfer of economic benefits simply means a duty to pay money. The event that triggered the duty to transfer must have already happened.
transfer of personal allowance (TPA)	Term used by the government in its considerations that led to the transferable marriage allowance introduced in 2015.
transfer of property	For capital gains tax of trusts, this is given a specific meaning in Taxation of Capital Gains Act 1992 s68B(2). For income tax, an equivalent meaning is given in Income Tax Act 2007 s470(3).
transfer of residence	Customs term for when a person relocates to the UK. Generally, goods (including cars) that accompany a relocated person are free of duty, subject to some conditions (Customs notice 3).
Transfer of Rights and Obligations (TORO)	In relation to Customs duties, the transfer of rights and obligations agreed by the supervising office of HMRC. Further details are given in Customs Information Paper 44 of 2 November 2015.

transfer of risk	The point at which a risk legally passes from one person to another, such as in the sale of goods.
transfer of shares	<p>The point at which legal title to a share passes to another person. For private companies this may be subject to legal restriction.</p> <p>The process involves a contract to sell, delivery of share certificate (or electronic equivalent) and amendment in the company register. It is at the last stage that the shares are transferred.</p> <p>Note that a transfer requires action by the owner. In other cases, such as on death of a shareholder, there is said to be a transmission of shares.</p>
transfer of unused nil-band	<p>Provisions of Inheritance Tax Act 1984 s8A.</p> <p>For deaths from 9 October 2007, a transfer may increase a transferor's nil band by up to 100% by claiming the proportion of nil band unused by a previous spouse or civil partner on their death. For example, a widow dies on 1 January 2011. Her husband had died on 1 February 2008 when the rate of nil band was £300,000. Her husband left £100,000 to their children and the balance to his wife.</p> <p>This means that two-thirds of the husband's nil band was unused. At the time of the widow's death, the nil band was £325,000. This means that she may increase her nil band by the husband's unused two-thirds from £325,000 to £433,333.</p> <p>It should be noted that this provision requires no action to be taken on the first death. There is no limit on how long ago the partner died. If the partner died before the introduction of inheritance tax in 1986, the nil band for capital transfer tax or estate duty is used instead.</p> <p>It should also be noted that the 100% maximum restricts the transfer when the deceased has two or more former partners.</p>
transfer of property	Act of moving property from one owner to another.
transfer of value	"A disposition made by a person (the transferor) as a result of which the value of his estate immediately after the disposition is less than it would be but for the disposition; and the amount by which it is less is the value transferred by the transferor (Inheritance Tax Act 1984 s3(1)).
transfer of value by trustees linked with trustee borrowing	The tax provisions are set out in Taxation of Capital Gains Act 1992 Sch 4B.
transfer on death	Occasion on which property becomes subject to inheritance tax (Inheritance Tax Act 1984 s4).
transfer on same day	<p>Inheritance tax provision set out in Inheritance Tax Act 1984 s266(2).</p> <p>This is an exception to the general IHT rule that transfers are considered in date order, and is also an exception to the general legal rule that time is infinitely divisible. If transfers are made by the same transferor on the same day, all those transfers are regarded as a single transfer made on the same day. A delay of one day is sufficient to create a second or supplementary transfer.</p> <p>If one or more transfer is paid gross of tax, and one or more is paid net</p>

of tax, the transferor may choose which to regard as having been made first, so as to minimise the tax payable (Inheritance Tax Act 1984 s266(1)).

If the annual exemption limit is reached on the day of the transfer, it is apportioned pro rata between the transfers (Inheritance Tax Act 1984 s19(3)(b)).

transferor	Person who transfers property to another.
transferor by delivery	Where the holder of a bill of exchange payable to bearer negotiates it by delivery without indorsement (Bills of Exchange Act 1882 s58(1)).
transferor company	<p>In company law, the company where the whole or part of its undertaking is transferred to another company in a reconstruction or amalgamation (Companies Act 2006 s900(1)).</p> <p>For inheritance tax and close companies, the term is given a specific meaning in Inheritance Tax Act 1984 s95.</p>
transfer order	Order that may be made transferring the contract of employment of an individual in the health service under the provisions of Care Act 2014 s118.
transfer payments	<p><i>General</i></p> <p>Transfer payments are payments for which no good or service is exchanged. This includes things like benefits, pensions and lottery payments. A significant proportion of government expenditure is on transfer payments.</p> <p><i>Pensions</i></p> <p>For pensions, "value of the benefit to which a member is entitled on transferring to another occupational or personal pension scheme" (CA 84 Stakeholders Pension Scheme Manual, published by HMRC).</p>
transfer pricing	<p>Pricing policy between two connected persons, at least one of which must be a company. It applies when those persons are subject to different tax rates. The most common example is when two companies under the same control operate in countries with different tax rates. It can also apply if one person is a charity, or between an individual and a company (but not between two individuals).</p> <p>There are special tax provisions to avoid transfer pricing being used to avoid tax. Suppose a company makes components in a low-tax country. These are sold to a company in the same group in the UK which assembles them into machines. As both companies are controlled by the same board, it is a simple matter to inflate the prices at which the components are sold to the UK company. Overall, the group makes the same profit; it has simply transferred much of that profit to the company in the low-tax country.</p> <p>To counter this, HMRC may require the UK company to substitute an arm's length price for the transfer price.</p> <p>Where the rules on a trade appropriating trading stock for personal use are also affected by transfer pricing, the transfer pricing rules take precedence (Income Tax (Trading and Other Income) Act 2005 s172F).</p>

Transfer Pricing Board	Part of HMRC that deals with transfer pricing cases where the tax under consideration is between £25m and £100m (HMRC Notice of 20 December 2013).
Transfer Pricing Panel	Part of HMRC that deals with transfer pricing cases where the tax under consideration is between £5m and £25m (HMRC Notice of 20 December 2013).
transfer provision	Enactment that allows payment from the National Insurance Fund to be made to a money purchase contracted-out pension scheme (Social Security Contributions (Transfer of Functions, Etc.) Act 1999 s21).
transferred charge	Where a charge which should be paid by one person is passed to another, such as when a person agrees to pay for a telephone call to him.
transferred income streams	Corporation tax provisions are given in Corporation Tax Act 2009 from s486F.
transferred property	In relation to income tax and settlements, the term is defined in Income Tax Act 2007 s471(5).
transferred trade	<p>In relation to enterprise investment scheme, this term is defined in Income Tax Act 2007 s175A(8) as inserted by Finance (No 2) Act Sch 5.</p> <p>The same definition is used for venture capital trusts in Income Tax Act 2007 s280C(9) as inserted by Finance (No 2) Act 2015 Sch 6.</p>
transfer scheme	<p>Any arrangement whereby the assets, liabilities, undertaking, profits or losses of one entity are legally passed to another.</p> <p>This may be effected by a legal document or by statute. An example of the latter is given in Postal Services Act 2011 s8.</p> <p>A more general power is given in Public Bodies Act 2011 from s23. The tax provisions are given in s25.</p>
transfer scheme arrangements	Term used in Income and Corporation Taxes Act 1988 s444AEA and elsewhere in relation to the tax implications on a transfer of assets of a life assurance business.
transfer transport	<p>“Transport by sea or air between the mainland of Great Britain and Northern Ireland and the offshore installation ...” (Income Tax (Earnings And Pensions) Act 2003 s305(3)).</p> <p>Such transport is usually exempt from tax.</p>
transfer value	Instead of receiving a preserved pension when leaving an occupational pension scheme, a member has the right to transfer its value to a scheme operated by a new employer or a personal pension plan. The transfer value is the amount that is transferred. (N.B. An occupational pension scheme is not bound to accept a transfer value)
transgender	Person who does not wholly relate to the gender in which they were born.

transgression	Wrongful act whose nature is to exceed a permitted limit or standard.
transhipment	<p>Moving goods from one vehicle to another to continue their carriage to their final destination.</p> <p>No duty is charged on transhipped goods, but Customs must be satisfied that only transhipment is involved.</p> <p>[The word can be spelled with a double S.]</p>
transire	Old term for a Customs warrant for clearing cargo or other goods.
transit	The movement of goods from one European Union (EU) Member State to another without the need to 'enter' them to a customs procedure.
Transit Accompanying Document (TAD)	Document produced by the New Community Transit System and which must travel with exported goods. It is presented at each office of transit noted on the declaration.
transit day	<p>Day spent in the UK while travelling between two other countries.</p> <p>Such a day is not regarded as a day spent in the UK for the purposes of the statutory residence test for tax purposes.</p> <p>It is a condition that the taxpayer leaves the UK on the day after arriving and does not engage in any activity which to a substantial extent is unrelated to the taxpayer's work, such as visiting friends or attending a show.</p>
transit duty	Customs duty that may be imposed on goods passing through a country to another country.
transitional addition	In social security, an amount that may be added to employment support allowance when the amount is less than the benefits previously received by the claimant. All such additions cease in 2020 and may be reduced before then.
Transitional Assembly	Assembly created in Northern Ireland before government was fully devolved (Northern Ireland (St Andrews Agreement) Act 2006 s1(1)).
transitionally-protected interest	<p>An interest in a financial arrangement that is protected under transitional provisions on a change of law.</p> <p>An example of this can be found in Inheritance Tax Act 1984 s46A.</p>
transitional protection	<p>Term used in relation to universal credit.</p> <p>Between 2013 and 2017, recipients of other means-tested benefits are being migrated to universal credit. If the claimant finds that the amount of universal credit is less than previous benefits, transitional protection increases universal credit to the previous figure. This amount is then frozen until exceeded by the amount of universal credit.</p> <p>Transitional protection only applies to those who have been migrated to universal credit. It does not apply to new claimants, nor to those who make a</p>

new claim on a change of circumstances.

transitional provision	<p>Any provision which allows a new rule to be phased in to minimise its impact.</p> <p>Transitional provisions are widely encountered in tax law to minimise a significantly larger tax burden which could fall on some taxpayers on a change in the tax system.</p>
transitional rate	<p>Rate at which a state pension may be paid to someone who has at least one qualifying year between 1978 and 2016 (Pension Act 2014 s4).</p> <p>A qualifying year is one in which the person has a full national insurance record. A person needs 35 such years for a full state pension from 6 April 2016.</p>
transitional relief	<p>Informal term for the provisions of Inheritance Tax Act 1984 s7(4).</p> <p>A potentially exempt transfer escapes inheritance tax if the transferor lives for another seven years. It is fully taxed at the death rate if the transferor dies within three years. Between those periods, relief is given at 20%, 40%, 60% and 80% for deaths after three, four, five and six years respectively.</p>
transitional serial interest	<p>Tax-advantaged (ie not tax-disadvantaged) form of trust for inheritance tax purposes. The law is Inheritance Tax Act 1984 from s49B.</p>
transitional support	<p>Short-term social security relief when a person loses housing benefit because they are caught by the benefits cap.</p>
transitional tax credit	<p>Reduction in the full rate of aggregates levy when introduced to Northern Ireland (Finance Act 2001 s30A).</p>
transit shed	<p>Place where goods may be held pending payment of customs duty. Such a shed must be approved under Customs and Excise Management Act 1979 s25.</p>
transition subsidy	<p>A subsidy that could be paid by central government to a housing authority under Housing Finance Act 1972 s1.</p>
transit procedure	<p>One of several Customs procedures which may be applied to goods presented to Customs on being imported.</p> <p>The procedure permits either external transit or internal transit. External transit allows goods to move within the EU without being subject to duties or other restrictions. This ends when the goods arrive at their final destination. Internal transit allows the goods to pass through a third country to a final destination in another EU state.</p>
transit shed	<p>Place near an approved wharf where imported goods may be held pending payment of customs duties.</p> <p>There are also enhanced remote transit sheds away from ports and airports, and which are subject to stricter security requirements.</p>
transit trade	<p>Trade of moving goods from one country to another through a third country.</p>

transit visa	Visa that allows a person to pass through a country but not to reside there.
translate	<p>Express words in another language, or amounts in another currency.</p> <p>For the latter, it should be appreciated that translation simply means restating an amount of one currency in another, without actually changing the currency. If the currency is actually replaced by an equivalent amount of currency, it is said to be exchanged.</p>
translation exposure	Risk that a financial position will be adversely affected by movements between currency rates.
transliteration	<p>Process of restating characters into the Roman characters used in ordinary English. An example is translating characters that use the Cyrillic alphabet.</p> <p>It should be noted that transliteration still leaves any words in a foreign language as it is only the characters that are changed.</p> <p>Where a company submits a document using non-Roman characters, the company can be required to submit a transliteration into Roman characters (Companies Act 2006 s1109). This is a separate duty from that of providing an English translation of a document in a non-English language.</p>
transmigration	Moving one's place of abode.
transmission	<p>In investment, a transfer of shares other than at the instruction of the holder.</p> <p>The most common example is when shares are transmitted to beneficiaries on the death of a shareholder. Shares can also be transmitted on bankruptcy.</p>
transmission facilities	<p>For capital allowances, the sharing of such facilities by broadcasting companies is addressed in Finance Act 1991 s78.</p> <p>The capital gains aspects are addressed in Taxation of Capital Gains Act 1992 s267.</p>
transnational	Crossing national boundaries.
transparency	<p>Openness.</p> <p>In tax, this means that transactions are what they appear to be.</p> <p>In law, this means fairness in legislation and openness in trading.</p> <p>For consumer contracts, a notice is transparent "if it is expressed in plain and intelligible language and is intelligible" (Consumer Rights Act 2015 69).</p>
transparent entity	<p>An entity that is resident in another EU state and has no ordinary share capital or would otherwise not be treated as a company if it were resident in the UK. As such it falls outside the scope of the Mergers Directive.</p> <p>The full definition is given in Taxation of Capital Gains Act 1992 s140L(1)(c).</p> <p>For embedded derivatives, the term is defined in Corporation Tax Act 2009 s680(2).</p>

Transparency International	International organisation established in 1993 to measure how far countries are free of corruption.
transport	<p>For VAT, a category of supplies which is zero-rated under Value Added Tax Act 1994 Sch 8 Group 8.</p> <p>Not all transport services are zero-rated, so care needs to be taken to ensure that a service is within the scope.</p> <p>The main zero-rated categories are:</p> <ul style="list-style-type: none">• public transport in a vehicle which can carry at least 10 passengers;• international transport in a vehicle of any size. <p>This Group also zero-rates some vehicles, broadly:</p> <ul style="list-style-type: none">• a ship weighing at least 15 tons and not being primarily for recreation or pleasure;• a lifeboat, houseboat or boat adapted for a disabled person, of any size;• hovercraft, on the same basis as ships except that there is no weight condition;• aircraft of at least 8000 kg which are not primarily for recreation or pleasure. <p>Some services to ships and aircrafts are also zero-rated. These include repairs to ships and aircrafts which are themselves zero-rated.</p>
transportation	In relation to removal expenses as a relocation expense , includes packing and unpacking, temporary storage, detaching domestic fittings and re-attaching them (Income Tax (Earnings And Pensions) Act 2003 s280(3)).
transportation allowance	Term used in relation to corporation tax on oil companies. The term is defined in Corporation Tax Act 2010 s280(10).
transport container	<p>Standard-sized reusable metal container for the bulk shipment of goods. They considerably speeded up loading and unloading of ships at docks.</p> <p>They were developed from 1957, and became widely used from 1968. They were standardised in 1972. The standard size is a cross-section of 8ft 6in (2.59 m) square and a length of 20ft (6.1 m) or 40 ft (12.2 m), though there are some variations.</p> <p>The containers have a twistlock device in the corners that allow them to be safely stacked. The patent allowed free use to popularise the container.</p> <p>As at 2014, there were believed to be 17 million such containers in use.</p> <p>There are special capital allowance provisions for overseas leasing in Capital Allowances Act 2001 s124. Guidance is provided in the Inspector's Manual at CA 24130.</p>
transport strike	There is no taxable benefit in kind if an employer provides certain assistance to employees to travel during a public strike (Income Tax (Earnings And Pensions) Act 2003 s245).
transport voucher	"Ticket, pass or other document or token intended to enable a person to obtain passenger transport services (whether or not in exchange for it)"

(Income Tax (Earnings And Pensions) Act 2003 s84(3)).

Transports Internationaux Routiers (TIR)

System where road haulers are given a **carnet**, which allows loaded vehicles to cross national frontiers with minimum customs formalities.

transsexual

Person who believes he belongs to the opposite sex to that in which the birth was registered. A person retains their birth sex until given a **gender reassignment certificate**.

transvalue

Re-estimate the value of something using a different basis.

trapeze artist

A trapeze artist may retire on a personal pension at the age of 40, provided:

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

(SI 2005 No 3451, as explained in the Inspector's Manual at RPSM 03106035).

trash

In computing, part of storage medium that holds data no longer required. It usually remains recoverable until the space is taken by later data. An issue is that **sensitive data** remains on the computer, even when deleted.

Trasic dupe

Worthless investment sold to someone to make them look foolish. The origin of the term is obscure.

travail préparatoires

French: preparatory work. Work undertaken before passing laws.

travaux préparatoires

French: preparatory works.

These can be useful in interpreting an international **treaty**. This was referred to in the case *Fothergill v Monarch Airlines Ltd [1981] HL. AC 251*

travel

For income tax, expenses incurred in business travel are generally deductible from taxable income. Expenses incurred in commuting to a normal place of work are not. A leading case is **Newsom v Robertson [1952]**.

There are many exceptions to these general rules, and much case law on how they apply in practice. Some of these matters are discussed in the Inspectors' Manual at BIM37935.

For employment income, travel in the performance of duties is generally allowable (Income Tax (Earnings And Pensions) Act 2003 s337), but ordinary commuting is not (ibid s338).

travel and subsistence scheme

Alternative name for a **travel scheme**.

travel at start or finish of overseas employment

This is generally tax deductible (Income Tax (Earnings And Pensions) Act 2003 s341).

travel between employments where duties performed abroad

This is generally tax deductible (Income Tax (Earnings And Pensions) Act 2003 s342).

travel between group employments

Travel by a director or other employee between companies in the same group. This is tax-deductible if relevant conditions are met (Income Tax (Earnings And Pensions) Act 2003 s340).

travel concession

Any provision which allows a person to use public transport for less than the full fare.

This particularly applies to free bus passes provided under Concessionary Bus Travel Act 2007.

Travelex

Prepayment card for foreign currency offered in two forms: for consumers and businesses.

The company was formed in 1976. In 2000, it acquired Thoms Cook's worldwide foreign exchange business. The company was sold to Western Union on 5 July 2011.

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Travelex is the world's leading specialist provider of foreign exchange and international payments for consumer and business customers. <i>Company website</i>

travel for necessary attendance

In employment, this is a tax-deductible expense unless it is **ordinary commuting** (Income Tax (Earnings And Pensions) Act 2003 s338)

travel in performance of duties

In employment, this is a tax-deductible expense (Income Tax (Earnings And Pensions) Act 2003 s337).

travel insurance

Insurance against losses suffered while travelling.

traveller's cheques

Documents bought from a bank which may be exchanged in different countries for a stated value in the local currency.

travelling expenses

Expenses incurred while travelling, particularly by an employee while travelling on business.

travelling showman

Such a person enjoys an exemption for road vehicle heavy oil under Excise Duties (Hydrocarbon Oil) (Travelling Showmen) Relief Regulations SI 1989 No 2439.

travel plan

In tax, a **salary sacrifice** scheme whereby taxable earnings are replaced by a tax-free or tax-advantaged benefit.

traverse

In law, denial of an allegation.

trawlermen	Before 6 April 2006 (when the normal pension retirement age was 60), such a person was allowed to retire on a full pension at the age of 55.
TRD	Temporarily relieved of duty.
treachery	Conduct that assists an enemy. Such offences are now dealt with under Official Secrets Act.
treadmill	Machine with a continuously moving surface, used to produce energy or for exercise. It was once used as a punishment in prisons. By extension, the term is sometimes used to mean a work situation which is tedious and unrelenting.
treason	<p>Criminal offence of conspiring against the state under Treason Act 1351, which remains in force though amended.</p> <p>An auditor, tax adviser or anyone else who discovers evidence of treason must report it. This overrides any duty of confidentiality. Failure to report is itself an offence.</p> <p>The last case of treason in Britain was in 1948.</p>
treasure	Wealth, particularly in the form of cached goods such as gold, bullion and jewels.
treasure chest	Box used for holding valuable items.
treasurer	Officer responsible for looking after funds in a non-commercial organisation.
Treasury	Government department responsible for the nation's finances.
Treasury Bills	Form of short-term government borrowing. When the government is a little short of funds temporarily they will make a Treasury Bill issue. The size of the issue depends on how much they need. The Bills are a promise to pay (an IOU) and usually mature after 91 days. They are offered to the money markets by a weekly tender.
Treasury directions	These are binding on HMRC (Commissioners for Revenue and Customs Act 2005 s11).
treasury management	Management of a business's finances separately from the business's trade. Treasury functions include minimising finance charges, investing surplus funds, borrowing cheaply and similar.
Treasury notes	Notes issued by the Treasury from 1914 to 1928 for £1 and ten shillings (50p) after which the responsibility passed to the Bank of England.
treasury products	Financial product produced by the government for sale.
Treasury Secretary	<p>(1) In USA, the member of the government with overall responsibility for the nation's finances.</p> <p>(2) In UK, a government minister who is second in charge to the Chancellor of</p>

the Exchequer, and who is usually a Cabinet minister.

Treasury shares

Shares in a company that the company itself acquires with a view to resale. The legal provisions are set out in Companies Act 2006 Chapter 6 from s724.

Such shares do not represent a reduction of capital. The value of Treasury shares may not exceed 10% of the nominal value of the issued share capital of the company.

Such shares were introduced in 2003.

“An entity’s own equity instruments, held by that entity or other members of the consolidated group” (FRS 102 glossary).

Treasury Solicitor

Solicitor who:

- advises the Treasury on legal matters
- instructs parliamentary counsel on Bills
- appears for the Crown in civil proceedings, and
- acts as the Queen’s Proctor.

treaty

“An international agreement concluded between states in written form and governed by international law, whether embodies in a single instrument, or in two or more related instruments and whatever its particular designation” (Vienna Convention on the Law of Treaties 1969 art 2 para 1(a)).

A treaty has also been defined as a “contract between two sovereign states and has to be construed as such a contract. It would be a mistake to think that it had been construed as though it were a domestic statute” (*R v Governor of Ashford Remand Centre, ex parte Beese [1973] All ER 250*).

The authority for tax treaties is given by Income and Corporation Taxes Act 1988 s788(1). This was amended from 24 July 2002 by Finance Act 2002 s88(1) so that the UK could make a treaty with any territory and not just a state. This was to allow the UK to make a treaty with Taiwan which was not then officially recognised by the UK.

Treaty of Accession

Document signed by British prime minister Edward Heath in 1972 that brought the UK into the European Economic Community (now the European Union) from 1973.

Treaty of Amsterdam

European Union treaty which replaced the **Treaty of Rome** on 1 May 1999 and was itself replaced by the **Lisbon Treaty** from 1 December 2009.

Treaty of Rome

International agreement signed on 25 March 1957 by six European countries to create what is now the **European Union**.

It was replaced by the **Treaty of Amsterdam** from 1 May 1999, which was itself replaced by the **Lisbon Treaty** from 1 December 2009.

Treaty on European Union

Proper name for **Maastricht Treaty**.

treaty override

Proposed tax provision that would have allowed HMRC to disregard a provision in a **double taxation treaty** when it is exploited for tax avoidance.

Plans to include such an override in Finance Act 2012 have been

dropped.

treaty rate	In relation to double taxation relief on royalties, “means the rate of income tax appropriate to the payee under the arrangements” (Income Tax Act 2007 s911(4)).
treaty shopping	Practice of someone who is not resident in a state establishing a residence there solely to benefit from provisions in a treaty signed by that state. The OECD considers that this practice is not illegal, but recommends that treaties include provisions to prevent it.
treble	Three times as much, as against triple which means three times as many.
treble chance	Form of betting on football pools with the objective of identifying eight draws.
tree is known by its fruit	Investigative principle that the quality of a person may be judged by what they produce. It is based on Matthew 12:33 in The Bible.
treeness of the tree	The essential qualities which define the nature of an item. The term specifically relates to those qualities that define a tree. It is a quotation from <i>Correggiosity of Correggio</i> by Laurence Sterne (1713-68). It has been quoted in tax cases on the differences between capital and revenue.
trente et quarante	This game is specifically listed in Betting and Gaming Duties Act 1981 s13(3) as coming within the scope of gaming licence duty .
trespass	Civil offence of interfering in the property of someone else.
treth	Welsh: tax.
Treth ar Werth	Welsh: value added tax.
TRF	Transfer.
TRG3	Part of the Tax Return Guide that gives advice on capital gains tax.
TRH	Their Royal Highnesses.
trial	Hearing of a civil or criminal case before a proper court.
trial balance	List of debit and credit balances taken from nominal ledger or (occasionally) prime books of account. The final accounts are prepared from the trial balance. If every transaction has been recorded by equal and opposite debits and credits, it follows that the total of all debits equals the total of all credits. A list which does not balance is therefore wrong. The converse is not true, in that a list which does balance is not necessarily right. If a transaction is completely omitted, or recorded the wrong way round, or where one side is posted to the wrong account, the trial balance will still balance.

The figures in the trial balance are then allocated either to the balance sheet or profit and loss account (or a subsidiary financial statement) to produce the financial statements.

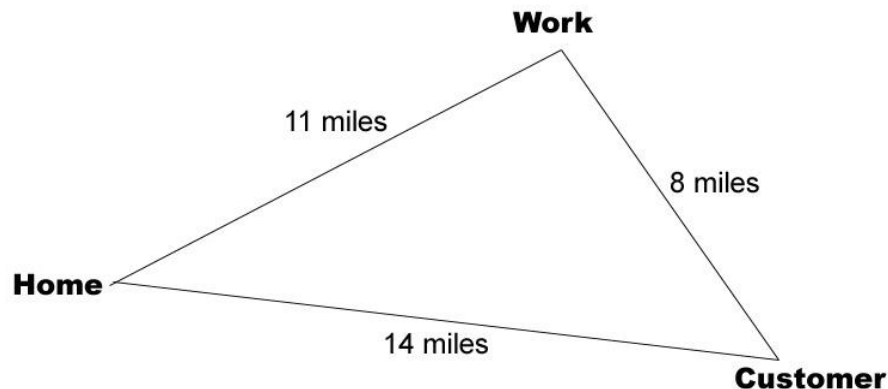
triangulation

Movement of goods

Where goods are moved directly from a supplier in one European Union (EU) Member State to the final customer in another Member State, on the instructions of an intermediate party located in a third Member State. The VAT implications are set out in VAT notice 725.

Employee travel

Where an employee travels directly from home to a customer rather than a normal place of work. From 6 April 1998, the employee may be paid for the whole journey tax-free. In the previous year, the government repeatedly said that it would allow only the *additional* miles to be paid tax-free. This proposal was eventually dropped after payrollers repeatedly complained of the additional work this would involve.



The above diagram shows a situation where an employee lives 11 miles from work and 14 miles from a customer who is 8 miles from the workplace.

Under current rules, the employee may be reimbursed tax-free for the whole 14 miles from home to the customer. Under the proposals, the employee would only have been entitled to the additional 3 miles.

Before 6 April 1998, the employee was entitled to the lesser of the actual journey and the distance between work and the customer. In the example above, that would be 8 miles.

tribunal

Forum for resolving issues that do not require the formality and expense of a court trial. Most tax issues are addressed before a tribunal.

Tribunals are regulated by Tribunals and Inquiries Act 1971.

In relation to PAYE, the word "means the First-tier Tribunal or, where determined by or under the Tribunal Procedure Rules, the Upper Tribunal" (PAYE regulations SI 2003 No 2682 reg 2(1)).

tribunal of three Commissioners

Body that existed before 29 November 1999 to deal with national insurance issues of special difficulty. They were constituted under Social Security Administration Act 1992 s57. Such matters are now heard by the **first tier**

tribunal.

Tribunals Service	Body that was created on 3 April 2006 under Constitutional Reform Act 2005. It is responsible for a two-tier tribunal system that came into being on 3 November 2008 under Tribunals, Courts and Enforcement Act 2008. The tribunals are split into chambers, one of which deals with tax. The service absorbed 20 existing tribunals into one system.
tribunal staff	The relevant law is Tribunals, Courts and Enforcement Act 2007 s40.
tribute	Earliest form of taxation. Originally, they often took the form of tributes to priests, usually in kind.
tribute money	Money paid as a tribute , an early form of tax.
trick clause	Clause that does not mean what it appears to say. An example is a lease clause that says "each year the rent shall increase by an amount equal to the rent plus inflation". At first sight that might seem to say that the lease will increase by inflation, but that is not what it says. If the lease is £1,000 and inflation is 2%, the second year's rent increases by £1,020. The third year's by £2,060. By year 10, the rent is £571,166.
triennial	Every three years.
trigger figure	Amount of household expenditure. If a Common Financial Statement in a debt management plan includes a figure above this amount, an explanation must be provided.
trigger	In tax legislation, this means a set of circumstances which bring a tax provision into effect. In particular the term was used for anti-avoidance provisions which applied when trading profits changed from previous year basis to current year basis.
trigger date	In relation to taxation of termination payments, the date is — “(a) if the termination is not a notice case , the last day of the employment, and (b) if the termination is a notice case, the day the notice is given” (Income Tax (Earnings and Pensions) Act 2003 s402E(2)).
trillion	One thousand billion, or 1 million times 1 million. That is 1 followed by 12 zeros.
Trimble, David	Irish Ulster Unionist politician (1944-) who was First Minister of Northern Ireland from 1 July 1998, when the position was created, to 14 October 2002.
trimonthly	Every three months.
Trinidad and Tobago	Island country. Its currency is the Trinidad and Tobago dollar of 100 cents. The UK has a double taxation convention of 1982.

A pension paid from this country may be exempt from income tax under Income Tax (Earnings And Pensions) Act 2003 s643.

Trinidad and Tobago dollar	Currency of Trinidad and Tobago.
Trinity	In law, the period of sittings from the first Tuesday after Trinity Sunday to the end of July.
Trinity House	Lighthouse and pilot authority established in England in 1514.
Trinity Sunday	The Sunday after Whitsun or Pentecost.
trinoda necessitas	Latin: necessary service. The ancient duties to maintain highways, build castles and repel invaders.
TRIO	The responsibility is ours. Term sometimes used in church stewardship campaigns.
triple	Three times as many, as against treble which means three times as much.
triple A	Highest credit reference given by a rating agency.
Triple assessment	Tax introduced in 1798, that became the precursor to income tax introduced the following year. This used the individual's taxable establishment as the basis of tax for three years (hence the name), or up to five years.
triple B	Credit reference held by most non-financial corporations.
triple guarantee	Term used in June 2010 Budget in relation to the state pension. It guarantees that the state pension will, from 2012, rise by the highest of price inflation, wage inflation and 2.5%. Price inflation is measured by CPI . In its 2017 manifesto, the Conservative party said it would replace this with a double guarantee from 2020, namely the higher of wage inflation and price inflation, dropping the 2.5% option.
triplets	When three babies are born together. If the mother is entitled to Sure Start Maternity Grant , the amount is doubled to £1,000 for birth of triplets.
triple witching hour	Final hour of a period of trading when three types of future and options contracts expire, making the market very volatile.
TRIPS	Agreement on Trade Related Aspects of International Property Rights.
Tristan da Cunha	UK Overseas Territory of an island in the South Atlantic Ocean. Its uses British currency. It also produces its own coinage, mainly for collectors.
trivial	In relation to an irregularity caused by an error on a tax return, "in the opinion of the professional bodies it is reasonable for a member to take no steps to advise HMRC of isolated errors where the tax effect is no more than minimal, say up to £200, as these will probably cost HMRC and the client more

to process than they are worth to the Exchequer" (Professional Conduct in Relation to Taxation para 5.17 extract).

trivial benefit

Benefit in kind provided to an employee which is of such small amount that it may be ignored for tax purposes.

Examples quoted by HMRC include a turkey, bottle of ordinary wine or box of chocolates given at Christmas.

From 6 April 2016, trivial benefits are put on a statutory basis. A benefit must be for the employee's welfare and not as a reward for work. There is also a monetary limit of £50 per employee per year. For close companies, there is also an employer limit of £300 a year. The law is contained in Income Tax (Earnings and Pensions) Act 2003 s323A as inserted by Finance Act 2016 s13.

A distinction must be made between a trivial benefit and a **minor benefit**. The latter is taxable but is usually taxed under a PAYE settlement agreement.

trivial commutation lump sum

A lump sum benefit paid to a member of a registered pension scheme (who is aged under 75) because their pension entitlements (under both that scheme and other such schemes) are deemed trivial, and which meets the conditions of paragraphs 7 to 9 of Schedule 29 to the Finance Act 2004.

trivial commutation lump sum death benefit

A lump sum benefit paid to a dependant of a scheme member of a registered pension scheme (who died before age 75) because that dependant's entitlement under that scheme is deemed trivial, and which meets the conditions of paragraph 20 of Schedule 29 to the Finance Act 2004.

trivial pension

Pension of a small amount.

From 6 April 2006, if *all* pension funds held by an individual do not exceed a figure, they may be paid as a lump sum without any need to buy an annuity at all. The figure was originally 1% of the lifetime limit. From 6 April 2011, it was fixed at £18,000.

For 2018, the limit is now £30,000 for one pension pot, or £10,000 for each of up to three pots.

In such a case 25% of the lump sum is tax-free and the balance is subject to income tax. The person must be aged between 55 and 75, and all pension funds must be taken as a lump sum within a 12-month period. Previously the whole of a pension fund could only be taken as a lump sum if the value of the fund was less than £250.

The term has now been replaced by **small pension pot**.

troll

Person who makes a deliberate effort to spread abuse on the Internet. The term comes from an evil-tempered dwarf in Norse mythology.

trombonist

Before 6 April 2006 (when the normal pension retirement age was 60), such a person was allowed to retire on a full pension at the age of 55.

tronc	<p>System whereby tips and similar are shared out between staff. The word comes from the French for a collecting box.</p> <p>A tronc is operated by a troncmaster who may be the employer or a designated employee. The troncmaster must operate PAYE and class 1 national insurance for the tronc. If not the employer, the troncmaster must register.</p>
troncmaster	Person who operates a tronc .
trophy	<p>(1) Spoils of war, such as property seized from an enemy.</p> <p>(2) Cup, plate or similar as a memorial of victory or success.</p>
trophy-money	Eighteenth century tax. It comprised a duty of £4 a year to display the drums, trophies and other military colours.
Trotskyism	Form of Communism based on worldwide revolution favoured by the Russian revolutionary Leon Trotsky (1879-1940).
Troubled Asset Relief Program (TARP)	<p>US program designed to help the country recover from the economic crisis.</p> <p>It was signed into law by President George W Bush on 3 October 2008. Although expected to cost up to \$300 billion, the cost by December 2010 was just \$25 billion. This is less than 1% of US GDP.</p> <p>The scheme allowed the US Treasury to buy troubled assets, such as unpaid mortgages. This allows the banks to recapitalise and return to profitable trading.</p>
Troubled Families Programme	Government programme introduced in 2012 to take a more holistic approach to families which had nine or more different problems. The programme was expanded in 2015.
Troubles, The	Period of civil unrest in Northern Ireland from around 1970 to the 1990s. They were largely ended by the Good Friday agreement of 1998.
trouble-shooter	Person whose job is to identify problems and find solutions.
trough	Long narrow vessel such as used to feed animals. By extension, the term is used colloquially to mean funds, such as someone has their "snout in the trough".
Troup, Edward	English tax lawyer and civil servant (1955-). He was executive chair and first permanent secretary of HMC from 5 April 2016 to 31 December 2017. He was knighted in 2018.
trouper	Member of a theatrical body, particularly one who is well-experienced. By extension, the term in human resources may be applied to a reliable and experienced worker.

trouser	Colloquialism meaning to appropriate money, often for little work. It is an allusion to putting money into a trouser pocket.
trove	Occasional abbreviation of treasure trove .
trover	Old name for the offence now known as conversion of goods.
Troy	Old system of weights still used for jewels and precious metals, such as the Troy ounce .
troy ounce	<p>Imperial measure of weight still used for jewels and precious metals. The name comes from Troyes in France. It is abbreviated to "ozt".</p> <p>A troy ounce equals 31.1034768 grams. There are 12 troy ounces to a troy pound, though this latter measure is outlawed.</p> <p>A troy ounce comprises 20 pennyweight (dwt) and 240 grains.</p>
TRP	Taxed receipt payment (Income Tax (Trading And Other Income) Act 2005s64 and Corporation Tax Act 2009 s63).
TRS	Trust registration service .
TRT	Total revenue from tax.
truce	Temporary respite from hostilities in war or, by extension, to any factioneering.
Trucial States	Name used until 1971 for the United Arab Emirates because of a treaty they had with Britain.
truck	<p>(1) Payment in kind made to workers. It is generally illegal.</p> <p>(2) Any of various types of vehicle for carrying goods. In the UK, it tends to refer to an open-topped vehicle, whereas the USA uses the word to mean a lorry.</p>
truckage	Charge for conveying goods by truck.
Truck Acts	<p>Laws passed in 1831, 1887, 1896 and 1940 which outlawed the practice of employers paying employees in truck tokens which could only be spent in their own shops. The laws required workers to be paid in coins of the realm. The Acts also disallowed unlawful deductions from wages.</p> <p>These laws were not finally repealed until 1986, though amended in 1960 by Payment of Wages Act.</p> <p>The law on unlawful deductions is now found in Employment Rights Act 1996 s13.</p>
truck farm	US terms for a market farm.
truck shop	Shop operated by an employer where truck tokens were spent.

truck tokens	Tokens for small amounts of money issued by companies and other organisations in 18th and early 19th centuries. Partly this was to fill the gap from a lack of low value coins. Employers soon realised the value of paying workers in coins which could only be used in their own shops. This practice was ended by the Truck Acts 1831 to 1940 which required workers to be paid in coins of the realm.
true	In accounting, the requirement that financial statements must accord with the supporting records, which must themselves properly represent financial transactions. Accounts must be true and fair .
true and fair	<p>The main criteria by which accounts must legally meet in the UK and Republic of Ireland.</p> <p>The duty became part of UK company law in Companies Act 1948 s149. It was adopted by the European Union in the Fourth Council Directive 78/660/EEC.</p> <p>Statement of Principles for Financial Reporting says in para 10: "The concept of a true and fair view lies at the heart of financial reporting in the UK and the Republic of Ireland. It is the ultimate test for financial statements and, as such, has a powerful, direct effect on accounting practice. No matter how skilled the standard-setters and law-makers are, it is the need to show a true and fair view that puts their requirements into perspective."</p> <p>Points to note about "true and fair" include:</p> <ul style="list-style-type: none">• its scope changes over time;• it requires financial statements to contain information "sufficient in quantity and quality to satisfy the reasonable expectation of the readers to whom they are addressed" (Statements para 12). <p>The exact meaning of this expression was the subject of a legal opinion from Martin Moore QC in 2008 in the light of recent developments in accounting standards. He confirmed the centrality of "true and fair" in accounting standards as set out in previous opinions by Dame Mary Arden in 1993 and by Lord Hoffman and Arden in 1983.</p> <p>Generally, compliance with accounting standards ensures that accounts are true and fair for tax purposes. There is a provision in Finance Act 1986 s84 that allows HMRC not to accept accounts even if they are GAAP-compliant. The only known example of this is <i>GDF Suez Teesside Ltd (formerly Teesside Power Ltd) v HMRC [2015] TC 4590</i>.</p>
true and fair view	Requirement of Companies Act s393 for UK companies not using IASB system .
true bill	<p>Old term for something of which there is sufficient evidence.</p> <p>The term comes from the practice of the criminal assize of confirming that there was a true bill, which meant enough evidence to hear a case.</p>
Trueblood Report	The report whose proper title is <i>Objectives of Financial Statements</i> published by the American Institute of Certified Public Accountants in 1971. It determined the conceptual framework on which future American accounting standards were based.

true cash value	Market value of a property as represented by the amount a willing buyer would pay to a willing seller under normal trading conditions.
true copy	Exact copy. It is common practice for an accountant or lawyer to certify a photocopy of a document as being a true copy to enable a person to open a bank account or otherwise prove his identity.
true gravity	The gravity of beer calculated in accordance with regulations produced by the Commissioners. The true gravity is accepted as the gravity for the purpose of calculating beer duty.
true group insurance	Group insurance policy that has been issued with a master contract where certificates of insurance, not policy contracts, are issued for each member of the group.
true interest cost (TIC)	Total annual cost of obtaining debt finance, expressed as a percentage of the total debt amount. TIC includes all related costs such as finance charges, term insurance, credit insurance and cash discount.
true odds	In gambling, real odds of something happening as opposed to what the bookmakers offer.
true-up	To make level, square or concentric. In business, it means to bring something into alignment into a predetermined criterion or process. In finance, true-upping is the process of replacing expected values by realised values.
true-up interest (TUI)	Interest added to true-up a financial transaction. TUI can be subject to diverted profits tax .
trumpeter	Before 6 April 2006 (when the normal pension retirement age was 60), such a person was allowed to retire on a full pension at the age of 55.
trunk call	Old term for a telephone call, involving two telephone exchanges. The term became obsolete as subscriber trunk dialling was introduced in the UK between 1958 and 1979.
trunk road	Part of a main route between towns and cities. Authority of trunk roads generally passed to the Secretary of State in 1936. Such transfer is exempt from stamp duty under Trunk Roads Act 1936 s8.
Trussell Trust	Network of foodbanks established in Salisbury in 1997 by Paddy and Carol Henderson. It is named after Carol's mother, Betty Trussell from whom they received a legacy. In 2004, the Trust ran only two foodbanks. They now run more than 400, and supply assistance to more than a million people each year. The system requires a doctor, Citizen's Advice Bureau, social services or similar person to issue a voucher that provides food for three days. This is collected at a centre, usually in a church. The volunteers provide a personal

service, often offering to pray with the person. Food is donated by volunteers, often using collecting points in churches and supermarkets.

trust

Summary

Arrangement whereby one person holds property for the benefit of another.

A trust requires three parties:

- a **settlor**, who provides the trust property;
- **trustees**, who legally own that property; and
- **beneficiaries**, who are entitled to the beneficial interest of the

trust property.

It is possible for two (but not all three) parties to be the same. So a trustee may also be a beneficiary, for example, though there are additional ethical requirements in such cases.

A trust also requires **trust property**, which is money, property or other assets.

Legal definitions

An authoritative definition is “an equitable obligation, binding a person (called a trustee) to deal with property (called trust property) owned by him or a separate fund, distinct from his own private property for the benefit of persons (called beneficiaries or, in old cases **cestuis que trust**), of whom he may himself be one and any one of whom may enforce the obligation: any act or neglect on the part of a trustee which is not authorised or excused by the terms of the trust instrument, or by law, is called a breach of trust.” (*Law of Trusts and Trustees*, by Underhill and Layton).

HMRC gives “a simple definition from a legal viewpoint” in the inspectors’ manual at TSEM1010:

“A trust is a disposition of property to a person (trustee) or persons jointly (trustees) in whom the legal title then vests in the confidence that the benefits will be applied to the advantage of one or more other persons (beneficiaries) or some other object permitted by law.”

A more complex definition is: “A trust... is the relationship which arises wherever a person called the trustee is compelled in Equity to hold property, whether real or personal and whether by legal or equitable title, for the benefit of some persons (of whom he may be one...) or for some object permitted by law in such a way that the real benefit of the property accrues, not to the trustee, but to the beneficiaries or other objects of the trust’ (*Law of Trusts, 9th edition – Professor Keeton*).

~

trust

Capital gains tax

Capital gains tax implications are given in Taxation of Capital Gains Act 1992 s65.

Income tax

Trusts are subject to income tax. There are special rates that may apply, as set out in Income Tax Act 2007 from s479.

Income tax rules on trusts generally are given in *ibid* from s462.

Inheritance tax

For inheritance tax there are many special provisions for different types of trust.

These include **accumulation and maintenance trusts, bare trusts, discretionary trusts, interest in possession trusts, relevant property trusts, serial interest trusts, and trusts for a bereaved minor.**

US meaning

In the USA, the word trust means a **monopoly**.

trustafarian	Modern colloquialism for an affluent person who adopts a bohemian lifestyle.
trust company	In USA, an organisation which supervises the financial arrangements of private trusts. It also acts as a private bank and provides a limited range of other services to a small group of customers.
trust corporation	<p>Company set up primarily to act as a trustee. Such companies are often subsidiaries of banks and insurance companies.</p> <p>A trust corporation can act alone in areas which would otherwise require two trustees, such as giving a valid receipt for selling land.</p>
trust deed	<p>(1) A legal document which establishes and governs the operation of a trust. Although not a legal requirement, a deed is usual for all but the simplest trusts or those created otherwise (such as by a will).</p> <p>(2) In Scotland, a voluntary arrangement for payment of creditors by an insolvent person.</p>
trustee	<p><i>General</i></p> <p>Person who holds property in trust for the benefit of another.</p> <p>In general, a trustee may be any adult aged 18 or over, or any other form of legal person, such as a limited company. A trust corporation often acts as a trustee.</p> <p>There must be at least one trustee, but there is no upper limit. For land, the minimum is two individual trustees though a trust corporation may be a sole trustee. For a trust of land, the maximum is four trustees.</p> <p><i>Duties of trustees</i></p> <p>The duties of trustees are largely set out in Trustee Act 2000 in addition to the trust document. This replaces the previous Trustee Investments Act 1961 even for existing trusts.</p> <p>The main provisions of the 2000 Act are that:</p> <ul style="list-style-type: none">• trustees now have a statutory duty of care,• trustees can in some case be remunerated,• trustees have a statutory power to insure trust assets,• trustees may settle debts or negotiates their terms,• there are wide powers of delegation from trustees,• previous restrictions on investments are relaxed. <p><i>Inheritance tax</i></p> <p>“In relation to a settlement in relation to which there would be no trustees</p>

apart from this section, means any person in whom the **settled property** or its management is for the time being vested" (Inheritance Tax Act 1984 s45).

trustee bank	Bank offering savings facilities for small investors, typically run by unpaid trustees. Such banks are regarded as trading for tax purposes from 21 November 1979.
trustee borrowing	Where there is a transfer of value by trustees linked with trustee borrowing, the tax provisions are set out in Taxation of Capital Gains Act 1992 Sch 4B.
trustee de son tort	Person who interferes in a trust without authority. He can made liable as if he or she were a trustee.
trustee in bankruptcy	Insolvency practitioner who deals with the property of a bankrupt.
trustee insurance	Insurance which protects the trustees or equivalent of a church against them personally when the trustees were acting in good faith.
trustee powers	<p>The rights of trustees.</p> <p>These are first laid down by law, particularly in Trustee Act 1925, Trustee Investments Act 1961 and Trustee Act 2000. These basic provisions are often extended or amplified in the trust deed.</p>
trustee savings banks (TSBs)	<p>British financial institutions which accepted deposits from poorer people who could not open accounts with the main banks.</p> <p>These banks were created from 1817. At that time, bank failures were common when depositors lost all their funds held by the bank. TSBs were strictly regulated in that they could only invest funds in government bonds or deposits with the Bank of England.</p> <p>To promote their use, interest on deposits was free of income tax up to a limit.</p> <p>Collectively, the TSBs were of equivalent size to the main banks, but they did not compete as each served a particular area.</p> <p>In 1975, all remaining TSBs were nationalised into one Trustee Savings Bank. This merged with Lloyds Bank in 1995, and was demerged in 2013.</p>
trustees' expenses	<p>Expenses of members of a trust's body. This figure must be separately disclosed in the annual report.</p> <p>Where a trust is subject to a special rate of income tax, the expenses must first be offset against the income subject to that special rate (Income Tax Act 2007 s484).</p>
trusteeship	Art, practice and law of being a trustee .
trustee's return	Statement which trustees are required to make under Taxes Management Act 1970 s8A to HMRC to allow the trust's tax liability to be determined.
trustees' tax pool	Term used in Income Tax Act 2007 s497. It refers to a measure of tax relief brought forward from previous years.

trust for a bereaved minor (TBM)

Trust where the beneficiary is a **bereaved minor** and under 18.

New trusts from 22 March 2006 are not **accumulation and maintenance trusts**, but generally come within the **relevant property regime**. The TBM is an exception.

A TBM is created:

- under the will of the deceased parent of the minor,
- under a statutory trust arising on intestacy, or
- under the Criminal Injuries Compensation Scheme.

Such a trust qualifies as an **18-25 trust** provided all the capital and accumulated income passes *outright* to the beneficiary at the age of 18 or earlier. There is no **inheritance tax** charge if the assets are paid out before the beneficiary is 18, and a reduced charge if aged between 18 and 25. The special **gift relief** of Taxation of Capital Gains Act 1992 s260 is available.

The law is given in Inheritance Tax Act 1984 s71A.

trust for benefit of employees The inheritance tax provisions are given in Inheritance Tax Act 1984 from s86.

trust for disabled persons See **trusts for disabled persons**.

trust for ecclesiastical purposes

Special trust for a specified church-based purpose (such as maintaining the churchyard) for which special legal provisions apply.

trust for saying masses

Trust established to say masses for the deceased, particularly in the Roman Catholic church.

As there is no personal **beneficiary**, this is a **trust of imperfect obligation** unless the mass is public.

trust for the disabled

A trust that is taxed as an **interest in possession** trust and not as a discretionary trust. These provisions were introduced from 22 March 2006 when most IIP trusts became discretionary trusts.

trust fund

Money that is owned by **trustees** for the benefit in **beneficiaries**.

Trust funds may be **nominal trust funds** or **substantive trust funds**.

trust instrument

Document by which a **trust** is created. This is most commonly a **will** or a **trust deed**.

trust management expenses

These are generally allowable under both trust law and tax law.

Guidance on tax law is discussed in the Inspectors' Manual from TSEM8000 to TSEM8790.

trust of imperfect obligation

Trust with no human beneficiary (such as maintaining a grave), which a trustee may administer but cannot be compelled to do so.

trust of life assurance policies

A trust whose settled property is a **life assurance** policy. Such trusts are often created to insure a life without the proceeds becoming part of the insured person's estate, to provide funds to pay inheritance tax, or (in the form of **single premium bonds**) to defer tax liability to a time when a lower rate is

payable while allowing the settlor to receive funds.

From 22 March 2006, such a fund is regarded as a **discretionary fund**.

trust or company service provider (TCSP)

Firm or person who provides the services of company formation, directorship, registrar, business trustee, recruitment agency or personal service company. Such a business may, from 1 April 2008, be required to register with HMRC under laws on **money laundering**.

trust period

Period for which a **trust** is allowed to exist. **Charitable trusts** may live for ever. Other trusts have a maximum life of 80 years. A trust deed may identify **default beneficiaries** who are entitled to the trust fund when the trust ceases to exist.

trust property

Property held by a **trust**. It is owned by the **trustees** for the benefit of the **beneficiaries**.

trust rate

Rate of income tax payable by certain trusts.

trust registration service (TRS)

A government scheme that requires a trust to be registered with HMRC if the trust has any tax implications. There are some exceptions, such as for pension schemes.

Trusts that had a liability for income tax or capital gains tax in 2016/17 should have registered by 5 January 2018 (put back from 5 October 2017). Subsequently a trust must register by 5 October after the end of the tax year in which the first tax liability arose. There is a penalty for late registration.

If there are two or more trustees, one must be designated as the principal acting trustee.

The registration includes information that may not be immediately available to the trustee, such as the national insurance number of each individual beneficiary. Where beneficiaries cannot be individually identified, it is sufficient to report a class of beneficiaries.

Registration requires an agent services account. This provides a user ID and password. Someone without such an account will be provided with these items on first registration.

trusts for disabled persons

For inheritance tax, the law is given in Inheritance Tax Act 1984 s89. The definition of a disabled person is given in Finance Act 2005 Sch 1A.

trusty system

System used in prison labour whereby trusted prisoners were given oversight of their fellow workers. The term particularly applies to the system used in Mississippi from 1903 to 1971.

truth

The state of being true. Accounts are required to be **true and fair**.

In evidence, the three **tests of truth** are demeanour, consistency and background.

TRY

ISO code for Turkish lira.

TS	Treasury Solicitor.
T&S	Travel and subsistence.
TSA	Training Service Agency.
TSAD	Prefix for HMRC's manual on temporary storage and approved depositories.
TSB	Trustee Savings Bank, now part of Lloyds Bank.
TSEM	Prefix for HMRC's manual on trusts, settlements and estates.
TSI	(1) Transitional serial interest, a type of trust for which there are special inheritance tax provisions. (2) Taxable specific income, as used in the formula for pension input amount for non-UK schemes (Finance Act 2004 Sch 34 para 10(2) as inserted by Finance Act 2014 s45(2)).
TSO	(1) Town sub-office. (2) The Stationery Office, publisher of government documents.
TSR	Terminate and stay resident, description of a computer program that stays in the computer's memory.
TT	(1) Telegraphic transfer. (2) Technical training. (3) Teetotal. (4) Taper threshold. Abbreviation used in Inheritance Tax Act 1984 s8D(5).
TTC	Tax Type Code , a numeric code identifying the type and rate of VAT and Customs and Excise duties payable. Further information is given in Tariff Volume 3 Appendix C7.
TTD	ISO code for Trinidad and Tobago dollar.
TTF	Tax transparent fund.
TTM	Prefix for HMRC's tonnage tax manual.
TTOG	Prefix for HMRC's manual on technical teams operational guidance.
TTP	<i>Time to Pay</i> Time To Pay , an arrangement under which HMRC agrees to accept payment of an outstanding debt for any tax or for repayment of tax credits in instalments; or to allow a moratorium on payment. There is no legal entitlement to time-to-pay: it must be applied for in writing and each case is judged on its own merits. <i>Corporation tax for banks</i> In relation to corporation tax surcharge on banks, "is the total taxable profits

of the company of the chargeable accounting period" (Corporation Tax Act 2010 s269DA(2)).

Other meaning

Trusted third party.

TTR	Prefix for HMRC's manual on theatre tax relief.
TTS	Text to speech, computing term.
TU	Trade union.
tuba player	Before 6 April 2006 (when the normal pension retirement age was 60), such a person was allowed to retire on a full pension at the age of 55.
TU	Figure used in calculation of oil exploitation profits, used in Corporation Tax Act 2010 s356N(5).
TUC	Trades Union Congress.
TUCC	Transport Users' Consultative Committee.
tuck shop	For VAT, such an (independently constituted) facility at a school did not make a standard-rated supply of catering, but a supply of food, some of which was zero-rated. <i>St Benedict Trading Ltd [1993] VATTR 12915.</i>
tuft-hunter	Person who curries favour from the wealthy in the hope of getting indirect personal gain.
tugrik	Unit of currency of Mongolia.
TUI	True-up interest.
tuition assistance	Benefit in kind provided to an employee whereby the employer pays all or some of the cost of the employee receiving tuition.
tulip mania	Mass hysteria in Netherlands in 1630s when the value of tulip bulbs soared to excessive values, and where the value subsequently collapsed. The term is sometimes used for similar examples of such behaviour, of which the dot.com boom of the 1990s is sometimes cited as an example.
tun	Large cask, particularly for holding beer. It has also been used as a unit of measure equal to 216 gallons of beer or 252 gallons of wine.
Tunisia	African country. Its currency is the Tunisian dinar of 1,000 millimes. The UK has a double taxation convention of 1982.
tunnage and poundage	Two traditional taxes that were put on a statutory basis in 1658.

tunnel	A tunnel is specifically included in the definition of industrial building , and of plant and machinery (Capital Allowances Act 2001 s22(1) List B).
TUPE	<p>Transfer of Undertakings (Protection of Employment) Regulations SI 2006 No 246. In October 2006, these regulations replaced the original regulations in 1981 (SI 1981 No 1794). The 2006 changes implement the EU Acquired Rights Directive 77/187/EEC</p> <p>The term is treated as an acronym, pronounced "two pea".</p> <p>Its main provision is that the rights of employees are protected if a business or part of a business is taken over by a new owner.</p> <p>For VAT purposes, such an arrangement may be a transfer as a going concern which is outside the scope of VAT.</p>
tuple	In computing, data that cannot be separated from an object in a database.
tuppence	Informal form of two pence.
Tupperware case	The Court of Appeal decision in <i>P & R Potter v Customs and Excise [1985] STCC 45</i> . This held that, for VAT, the supplier was the sub-distributor who held the party and not the distributor who provided the goods.
tu quoque	<p>Latin: you also.</p> <p>The term indicates that the person addressed is in the same position as the person speaking.</p>
turban	<p>Head covering, often worn by Sikhs, comprising a long sash wrapped round the head.</p> <p>Under what is now Employment Act 1989 s11(1), a sikh is excused the legal requirement to wear a safety hat on a construction site if wearing a turban.</p>
turf	General term for the world of horse-racing.
turf accountant	Euphemism for a bookmaker or betting shop.
turf war	Any dispute about who is allowed to operate in a particular area.
Turing machine	Theoretical computer capable of performing infinite calculations, as described by the British mathematician Alan Turing (1912-54).
Turkey	<p>Eastern country. Its currency is the Turkish lira of 100 kurus. The UK has a double taxation agreement of 1988.</p> <p>Turkey is not a member of the European Union, but has an equivalent Customs union provisions under the Ankara Agreement. These are set out in Customs notice 812.</p>
turkey	(1) Edible fowl. For VAT purposes, turkeys for eating are zero-rated, but ornamental turkeys are standard-rated. VAT notice 701/15 defines the former as including Beltsville White, British White, Broadbreasted White, Bronze, Norfolk Black, and derivatives and crossbreeds of these.

(2) Colloquially a person, project or similar that is a complete failure.

turkey shoot

Military slang (particularly in USA) of large-scale killing of easy targets. By extension, it can mean any easily achieved task.

turkey-work

Old term for manufacture of carpets. The term derives from the fact that it was practised in the UK to counter imports from Turkey.

Turkmenistan

Eastern country that became independent from Russia in 1991. Its currency is the manat of 100 tennesi.

The UK has a double taxation convention of 2016 that takes effect from 1 January 2017. It replaced one signed in 1985 with the USSR which still applies for Belarus.

Turks and Cacos Islands

UK Overseas Territory in Atlantic Ocean. Its currency is the US dollar.

TURN

Trader's Unique Reference Number.

This is used to identify an importer numerically. It is normally based on the trader's VAT registration number, with a three digit extension.

turn

Difference between the rates for equivalent services. For example, if a bank leads at 7% and pays interest at 3%, its turn is 4%.

Turnbull direction

Direction a judge is obliged to give a jury of the dangers of identification from a fleeting glimpse.

turnover

General

The sales of a business or other form of revenue from operations of the business. Turnover is also called **sales, revenue** and similar. It is the first item in a profit and loss account.

Company law

"In relation to a company, means the amounts derived from the provision of goods and services falling within the company's ordinary activities, after deduction of:

- (a) trade discounts,
- (b) value added tax, and
- (c) any other taxes based on the amounts so derived"

(Companies Act 2006 s539) in relation to audit.

Accounting

"The amounts derived from the provision of goods and services falling within the entity's ordinary activities, after deduction of:

- (a) trade discounts;
- (b) value added tax; and
- (c) any other taxes based on the amounts so derived"

(FRS 102 glossary).

"As a minimum, turnover must be present on the face of the income statement (or statement of comprehensive income if presented)" (FRS 102 section 5.7C).

Tax

Turnover is relevant in many areas of tax. These include:

- whether the business must register for VAT;
- whether it can claim some of the special provisions for **small and medium-sized enterprises**;
- whether the business must pay corporation tax or VAT by instalments
- whether a business may use **cash accounting** for income tax
- whether a business may use **cash accounting, annual accounting** or the **flat rate scheme** for VAT.

For income tax and corporation tax purposes, turnover includes irrecoverable VAT (such as on cars, personal expenditure and when the business is not VAT-registered), but excludes recoverable VAT.

turnover aggregation

For **senior accounting officers**, "aggregation of turnover amounts from more than one company in the same group... in considering whether a company is a qualifying company" (Inspector's Manual at SAOG 24000).

The provisions of aggregation are given at SAOG 11240.

In relation to enterprise investment scheme, a specific definition is given in Income Tax Act 2007 s175A(8) as inserted by Finance (No 2) Act Sch 5.

The same definition is used for venture capital trusts in Income Tax Act 2007 s280C(9) as inserted by Finance (No 2) Act 2015 Sch 6.

turnover condition

For **senior accounting officers**, "total turnover value of £200 million that must be met for a company to be a qualifying company in a financial year" (Inspector's Manual at SAOG 24000).

The provisions of this condition are given at SAOG 11231.

turnover tax

Any tax which is calculated according to a business's turnover.

turnpenny

Old term for someone who is particularly keen to make money.

turnpike

Old term for a toll gate or toll road.

turnpike trust

Trust which creates a toll road.

turnspit

Old term for a person who did all the work but received no share of the profit. The term was first used in 1607.

turtle

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

tutelage

Guardianship, particularly one that provides tuition.

tutorage

Rare term meaning the charge for tutoring.

Tuvalu

Island country in the Pacific Ocean. Its currency is the Tuvalu dollar of 100 cents, though the Australian dollar is widely used. The UK has a double

taxation arrangement of 1950 as amended by a 1974 arrangement.

TV Television.

TVEI Technical and Vocational Education Initiative.

TV licence Licence required under Communications Act 2003 s363 and predecessor legislation to use a television. Legally this is a tax, though it is now more commonly viewed as charge for a service.

The television licence was introduced on 1 June 1946 just after limited transmissions resumed after the war. In 1968, a higher rate was introduced for colour televisions. There remains two fees. The licence fee supports the BBC which is the national public broadcaster.

The licence relates to a premises, either residential or business, if it contains a device capable of watching or recording television programmes (not necessarily on the BBC). From September 2016, a licence is also needed to watch BBC programmes on catch-up services.

A single licence covers any number of television sets, computers, smartphones and other devices capable of receiving television. A licence is not needed to watch non-BBC programmes on catch-up services, videos or DVDs, clips on websites such as YouTube or closed circuit television.

Students can be covered by their parents' licence provided they watch television only on battery-operated devices, and not devices connected to an aerial or mains electricity. Halls of residence and student accommodation will often have their own licence that covers students.

The licence is free to households with someone who is aged 75 or older. There is a reduction for someone with a severe vision impairment.

Watching or recording television without a licence is a criminal offence that can attract a penalty of up to £1,000.

The television licence supersedes the radio licence (1904-71).

TVBS **Trade value at balance sheet.**

The value of an item as trading stock at the day the trader makes up his balance sheet. This is widely used in the second-hand car trade.

For the purposes of income tax and corporation tax, TVBS may be used to value cars accepted in **part exchange**.

TVD **ISO code** for Tuvalu dollar.

twain Archaic term for two. It remains as a fossil in such expressions as "never the twain shall meet".

TWD **ISO code** for Taiwanese new dollar.

tweet Send a message on the social media website Twitter.

Twelfth Night Epiphany, 6 January. This is 12 days after Christmas. It is the day when, traditionally, Christmas decorations are taken down.

twenty pence coin	<p>Legal tender coin first issued on 9 June 1982.</p> <p>It is minted from a cupro-nickel alloy but where the copper content is 84% rather than 75% for other silver coins.</p> <p>The coin has seven equilateral curve sides, like the 50p coin. It has a diameter of 21.4 millimetres.</p> <p>There are two other legal tender coins with a face value of 20p: the double florin and the 1/10 oz silver Britannia. Neither is in circulation and both are worth more to collectors.</p>
twenty pound note	<p>Legal tender bank note for £20 issued by the Bank of England.</p> <p>The current version is Series F issued on 13 March 2007, and depicting the economist Adam Smith. It is to be replaced in 2020 with a polymer note.</p> <p>The previous Series E note was issued on 22 June 1999 and is now withdrawn. It depicted the composer Sir Edward Elgar.</p> <p>The Series D note was issued on 5 June 1991 and withdrawn on 16 March 2001. It depicted the scientist Michael Faraday.</p> <p>Previous issues of "white" £20 notes were withdrawn on 31 May 1979.</p> <p>The current £20 note has a purple square on it to assist those with poor sight.</p>
twin tracking	<p>Any management or similar process that follows two paths simultaneously, perhaps to see which path first leads to success.</p>
twin unit caravan	<p>"Such a caravan can fall within this definition [of caravan] if composed of no more than two sections designed to be assembled on site by means of bolts, clamps and other devices, as long as, once assembled, it is physically capable of being moved from one place to another"</p> <p>(VAT leaflet 701/20).</p>
Twitter	<p>Popular social media site where subscribers can post short messages, known as tweets, to be read by anyone.</p>
two bits	<p>American colloquialism for a 25-cent coin.</p>
two bob	<p>British colloquialism for two shillings or a florin, now worth 10p.</p>
TWOC	<p>Taking without owner's consent. This is the term for driving a car without the owner's permission.</p>
twopence coin	<p>Coin worth two pence. The current coin was introduced in 1971 on the adoption of decimal currency. It is legal tender for amounts up to 20p. It was originally minted in bronze, but this was replaced by copper-plated stainless steel from 1992. There are more than 6 billion 2p coins in circulation.</p> <p>There was also a pre-decimal copper two pence worth 1/120 of a pound. It is the largest British coin minted for currency. Its size means it is nicknamed the cartwheel. The coin was minted from 1797, and demonetised in 1860.</p> <p>There have been other two-pence coins minted in silver before 1660, with the sole exception of the silver coin still minted for Maundy money and</p>

	legal tender for 2p.
two-stage verification (2SV)	Additional level of security introduced from September 2017 by HMRC for online returns. In addition to entering the 12-digit Gateway number and the taxpayer's chosen password, HMRC will send a message to a telephone (land line or mobile) giving a six-digit number that must be entered for that return. A different number is produced for each submission of a return.
two-statement approach	In accounting, when an entity decides to produce and income statement and a separate statement of comprehensive income . The alternative is the single-statement approach . Details are given in FRS 102 Section 5.
two-stroke	Description of a small engine for a vehicle (such as a motorcycle) whose cycle comprises two piston strokes.
two-up	Simple betting game where bets are placed on two tossed coins being either both heads or both tails.
two-year discretionary trust	A discretionary trust that lasts for between three months and two years to exploit the provisions of Inheritance Tax Act 1984 s144. This disapplies the exit charge otherwise payable by a discretionary trust , provided that there has been no interest in possession . Any distribution made during this period is, in effect, backdated to the date of death.
TX	Abbreviation: Texas.
TY	Texting abbreviation: thank you.
Tyburn	Traditional public place of execution from 1196 to 1783 where Marble Arch now is.
tychism	In philosophy, any theory that accepts pure chance.
tycoon	Business magnate, particularly a very successful and powerful one. The term was originally that used by foreigners for Japanese shoguns.
Tynwald	Governing body of the Isle of Man.
type A equity	Form of bank equity, as are types B, C and D. It is relevant for the bank levy. The three types are defined in Finance Act 2011 Sch 19 para 17.
type 1 finance arrangement	A definition is given in Income Tax Act 2007 ss809BZA-BZE.
type 2 finance arrangement	A definition is given in Income Tax Act 2007 ss809BZF-BZI.
type 3 finance arrangement	A definition is given in Income Tax Act 2007 ss809BZJ-BZL.

typewriter	Mechanical device whereby text can be produced on paper.
TYVM	Texting abbreviation: thank you very much.
TZS	ISO code for Tanzanian shilling.