



Leach's Tax Dictionary

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M

M

Tax code

Suffix to a PAYE tax code used from 6 April 2015 to indicate that the employee has had part of a partner's personal allowance transferred to his or her.

National insurance

National insurance contribution letter for employees under the age of 21 and for whom no other special provisions apply. The letter was introduced in 2015.

Vehicle excise duty

Rate band for vehicles with emissions above 255 gm/km.

Other meanings

- (1) Measure of the money supply, followed by a single digit (eg M1, M2)
- (2) Roman numeral for 1000.
- (3) Macpherson. Series of Scottish law reports.
- (4) In transport, indication of a motorway, usually followed by a number, such as M1, M25 or M40. The number corresponds to the approximate direction of the A-road.
- (5) Abbreviation: loti, currency of Lesotho.

M0

In economics, narrow money, comprising just notes and coins in circulation. This represents about 2% of the M4 money supply.

M1

Economics

In economics, measure of money supply, representing notes and coins (M0) plus overnight deposits.

Tax code

Part of **tax code** which indicates that each payslip should be treated as if it were for month 1 of the tax year. This is a temporary arrangement while a proper tax code is determined.

M2	In economics, measure of money supply, representing M1 plus deposits with an agreed maturity of up to two years and deposits redeemable at up to three months.
M3	In economics, measure of money supply, representing M2 plus repurchase agreements, money market fund shares or units, and debt securities of up to two years.
M4	In economics, measure of money supply, representing cash inside and outside banks, including private sector banking and building society deposits, plus private sector wholesale bank and building society deposits.
MA	(1) Master of Arts (2) Marketing Authorisation.
Maastricht treaty	European treaty. In December 1991 the leaders of the then 12 EC countries met at Maastricht in the Netherlands to negotiate a treaty on the European Union. The treaty was finally signed in February 1992. The treaty moved significantly towards economic, political and social union and set out the detailed timetable for economic and monetary union (EMU). It also set out the convergence criteria for economies who wanted to join in EMU. The treaty was incorporated into UK law by European Communities (Amendment) Act 1993 s1(2).
MAC	Membership audit certificate.
macaroni defence	Arrangement to protect a company against being takeover. It involves issuing a large number of bonds that are redeemed at a higher value in a takeover. The term comes from macaroni which expands when cooked.
Macaulay duration	Weighted average term to maturity of the cashflows of a bond, where the weights are the present value of the cashflow divided by the price.
Macbeth	King of Scotland from 1040 to 1057. There is a strategy to protect against takeovers known as Lady Macbeth.
MACD	Moving average convergence/divergence.
MacDonald, Ramsey	Scottish Labour politician who was prime minister of the first Labour government from 22 January 1924 to 4 November 1924, and from 5 June 1929 to 7 June 1935. He led a National Government from 1931.
mace	Ceremonial staff of office, borne by an office holder and sometimes used to indicate that a council or parliament is in formal session.
Macedonia	East European state which became independent of Yugoslavia in 1993. It was first known as Former Yugoslav Republic of Macedonia to distinguish it from the ancient kingdom of Macedonia. Its currency is the denar of 100 deni. The UK has a double taxation

agreement of 2006.

Macfarlane Trust	Trust established to provide ex gratia help to people who have been infected with HIV through contaminated blood or blood products used in the NHS. These payments are now made by MFET Ltd. Such payments are disregarded when determining entitlement to means-tested social security benefits. They are also exempt from income tax.
machine code	Instructions written in a form that can operate a computer or other machine.
machine games duty	Proposed tax alluded to in Finance Act 2011 s90.
machinery	Item for which a capital allowance may be claimed as plant and machinery. The element of a machine is that it has a moving part. It is not necessary that this is mechanically powered, so a manually operated device qualifies. HMRC gives a door handle as an example.
Macleod, Iain	Conservative politician (1913-1970) who was Chancellor of the Exchequer for just one month from 20 June 1970 to 20 July 1970 when he died of a heart attack. He never presented a Budget though he worked on the one later presented by Anthony Barber. He was Shadow Chancellor from 11 November 1965 to 20 June 1970.
Macmillan, Harold	English Conservative politician (1894-1986) who was Chancellor of the Exchequer from 20 December 1955 to 13 January 1957 in the government of Sir Anthony Eden. He cut bread and milk subsidies, and introduced premium bonds. He was prime minister from 10 January 1957 to 18 October 1963.
Macmillan Cancer Support	Charity formed by Douglas Macmillan in 1911 as the Society for the Prevention and Relief of Cancer. Its present name was adopted in 2006. The charity provides local information and support centres, cancer support groups, benefit advisers and cancer support specialists.
Mac OS	Operating system for Apple Mac computers.
Macq	Macqueen's Reports, Scottish law reports of House of Lords from 1851 to 1865.
macro-economics	Study of economics on a large scale, such as for an entire country or for the whole world. "The study of overall economic headlines e.g. inflation, trade, output and the level of employment" (HM Treasury glossary).
macroeconomic stability	Requirement for the world's financial systems to function properly. The term was extensively used in the 2008/09 financial crisis.
MAD	(1) Market Abuse Directive. (2) Mean absolute deviation. (3) ISO code for Moroccan dirham.

Madagascar	Island state in Indian Ocean. Its currency is the ariary of five 4iraimbilanja. The UK has no double taxation treaty.
mad monarch	Provision in a constitution designed to remove a leader who appears to have lost the mental capacity to act rationally or responsibly. Such provisions can also be found in the armed forces.
mad money	Emergency stash to insulate a person from dependency . Examples include a stash by a woman planning to leave her husband or by an employee about to leave work.
made-wine	<p>Term which is no longer used, but which has been used in two different contexts for alcoholic liquor duty.</p> <p>Before 15 March 1988, made-wine meant any drink made from fermenting a fruit other than grapes, apples or pears.</p> <p>Between 1 January 1997 and 26 April 2002, the term was used for any drink made from mixing spirits with non-alcoholic drinks (commonly known as mixers). Examples of these made-wines include alco-pops and ready mixed gin and tonic.</p>
made-wine	“Means... any liquor which is of a strength exceeding 1.2% and which is obtained from the alcoholic fermentation of any substance or by mixing a liquor so obtained with any other liquor or substance but does not include wine, beer, black beer, spirits or cider” (Alcoholic Liquor Duties Act 1979 s1(5)).
Madoff, Bernard	<p>American stockbroker (born 1938) who perpetrated the world’s largest Ponzi fraud. About \$65 billion was missing from client accounts.</p> <p>Many of his victims were fellow members of the Jewish community, making it the world’s largest affinity fraud.</p> <p>He pleaded guilty to 11 felonies in March 2009. He was imprisoned for 150 years and ordered to pay restitution of \$170 billion.</p>
MAFF	Ministry of Agriculture Fisheries and Food. It is now the Department of Environment, Food and Rural Affairs (DEFRA).
mag	Old slang term for a halfpenny or farthing.
magazine	<p><i>Periodical</i></p> <p>If a magazine is issued at least once a year, it may be zero-rated under Value Added Tax Act 1994 Sch 8 Group 3. Details are given in VAT notice 701/10.</p> <p><i>Explosives</i></p> <p>Gunpowder must generally be kept in a proper store or magazine (Explosives Act 1875 s6). There are Customs restrictions in importing and exporting such a magazine.</p>
magazine distributor	A magazine distributor who bought magazines from publishers and sold them to wholesalers was making a zero-rated supply of magazines for VAT purposes, and not a standard-rated supply of marketing and distribution

services (*Oldhams Distribution Pergamon Holdings Ltd [1990] VTD 6295*).

Magdalene laundries	Form of asylum run by the Roman Catholic church in what is now the Irish Republic from 1765 to 1996. They were run on similar lines to a workhouse with tacet government support. Over their lifetime, they accommodated about 30,000 women, mainly unmarried mothers. In 2013, the Irish government agreed compensation for the 600 survivors of between €11,500 and €100,000. Survivors also receive an increase in pension of up to €230 a week.
maggots	For VAT, these cannot be zero-rated as food for edible animals, as they are used to catch fish rather than to feed them. <i>Fluff Ltd (t/a Mag-It). QB [2000] STC 674</i> .
magis	Latin: more, better. The word is sometimes used as a motto meaning to do extra work for the benefit of others. It is pronounced mar-giss.
magistrate	<p>“A person who acts as a judge in a magistrates’ court” (website of Crown Prosecution Service).</p> <p>A magistrate is also known as a justice of the peace, sometimes abbreviated simply to justice. They put the letters JP after their name.</p> <p>Magistrates sit in their court. Usually there are three magistrates, one of whom is a specially trained chairman. They hear the less serious criminal cases, including television licence evasion and some tax offences. They can also determine conditions for people accused of serious offences that are tried in the crown court. They also deal with some family matters, such as adoption and child maintenance orders.</p> <p>Magistrates are not paid, but do have the right under employment law for unpaid leave from work. A magistrate is normally expected to spend 13 days a year in court.</p>
magistrates’ court	<p>“has the meaning assigned to it—</p> <p>(a) in relation to England and Wales, by section 148 of the Magistrates’ Courts Act 1980;</p> <p>(b) in relation to Northern Ireland, by Article 2(2) of the Magistrates’ Courts (Northern Ireland) Order 1981.” (Interpretation Act 1978 Sch 1).</p>
Magna Carta	<p>Law originally passed in 1215 to restrict the power of the king and lords. One of its provisions established that only parliament may levy tax.</p> <p>Magna Carta was re-enacted in 1297, parts of which are still law.</p>
magna est veritas et praevalabit	Latin: truth is great and will prevail.
magnate	Person of wealth and power.
Magnitsky Act	US law passed in 2012. It seeks to punish Russian officials responsible for the death of Russian accountant Sergei Magnitsky in a Moscow prison in 2009. From 2016, the Act is applied on a global basis. Magnitsky was investigating a \$230 million fraud involving Russian officials. The Act bans those held

	responsible from entering the USA or opening a US bank account.
magnum	Champagne bottle with a capacity of two standard bottles.
magnum bonum	Latin: great and good, a term sometimes used for choice produce.
Mai	Welsh: May
MAIB	Marine Accident Investigation Branch.
maid credit	Name given to Swedish tax provision whereby the cost of employing nannies and other domestic services is tax-deductible. The UK prime minister was reported to be considering it in February 2012.
maiden name	<p>Name by which a woman was known before she was married.</p> <p>There is no law which requires a woman to adopt her husband's surname and many women choose not to.</p> <p>Where the convention is followed, UK and US practices differ. If Mary Ann Smith marries Harry Jones, she would be Mary Ann Jones under the UK convention, but Mary Jones Smith under the US convention. However, it is stressed that these are merely conventions, and the woman is entitled to use whatever name she wishes.</p>
maiden stakes	In horse racing, prize in a race between horses which have not previously won.
mail	<p>(1) Correspondence and other items sent by post. The term originally referred to the bag in which such items were carried.</p> <p>(2) Old Scottish term for rent or payment.</p> <p>(3) Obsolete term for a halfpenny.</p>
mail-bag	Container for carrying mail.
mail-box	American term for a letter box. By extension, the term is also used for computer files that perform a similar service for electronic messages.
mailing list	List of names and addresses to whom information is posted.
mail order	The same as distance selling .
mail pack	<p>Package comprising a letter and leaflets.</p> <p>In a VAT case, the tribunal held that the cost could be apportioned between the zero-rated leaflets and the standard-rated letter (<i>Charterhill Marketing Ltd [2004] VTD 18144</i>).</p>
main	Game of hazard; calling a number between 5 and 9 before throwing dice.
main chance	Colloquialism for a profitable opportunity. The term is believed to come from a dice game called hazard.

main compensating product	<p>The product which results from the processing of goods imported under Inward Processing Relief.</p> <p>The main compensating product is the product which forms the basis of the IPR authorisation and which is to be exported.</p>
main contract	Consumer contract that is not a secondary contract (Consumer Rights Act 2015 s72(1)).
main door	Direct entrance to a premises, as against an entrance to a common part such as a corridor or lobby.
main duty	<p>In the context of a large company's senior accounting officer, "to take reasonable steps to ensure that the company established and maintains appropriate accounting arrangements" (Inspector's Manual at SAOG 24000).</p> <p>The main duty is explained further at SAOG 14000.</p>
Main Estimates Act	Supply and Appropriation (Main Estimates) Act 2015.
mainly trading subsidiary	"Subsidiary which, apart from incidental purposes , exists wholly for the purpose of carrying on one or more qualifying trades..." (Income Tax Act 2007 s137(7) and 181(8)).
main market	The stock exchange operated by London Stock Exchange for companies will comply with its strict admittance rules , as opposed to the Alternative Investment Market .
main objects rule	<p>In company law, the main purpose for which a company was formed, as set out in the memorandum of association. Other objects are regarded as subsidiary.</p> <p>If the main object no longer exists, the company may be wound up. Modern practice avoids this either by making all objects independent, or by registering the company as a general trading company.</p>
main phase	<p>Period for which employment support allowance is paid after the assessment period, usually of 13 weeks.</p> <p>During the main phase, the basic allowance may be supplemented by either the support component or work-related activity component.</p>
main primary percentage	<p>The rate of class 1 national insurance paid by employees on their earnings between the earnings threshold and upper earnings limit. The equivalent paid by the employer is known as the main secondary percentage.</p> <p>The terms are contained in National Insurance Contributions Act 2002. They were required to allow for the additional 1% class 1 national insurance introduced on earnings above the upper earnings limit, which are known as the additional primary percentage and additional secondary percentage.</p>
mainprise	Archaic legal term for a suretyship for the appearance of a prisoner.
main purpose rule	In law, principle in interpreting an exclusion clause in a contract. This principle is that a clause must not be interpreted to defeat the main purpose of the

contract.

In *Glynn v Margetson [1893]*, Lord Halsbury said, "looking at the whole of this instrument, and seeing what one must regard... as its main purpose, one must reject words, indeed whole provisions, if they are inconsistent with what one assumes to be the main purpose of the contract".

main rate activity In relation to capital allowances in Northern Ireland, means such activity that is not **NI rate activity** (Capital Allowances Act 2001 s66B(5)).

main rate car For capital allowances, "means
(a) a car that is first registered before 1 March 2001,
(b) a car that has low CO₂ emissions, or
(c) a car that is electrically propelled"
(Capital Allowances Act 2001 s104AA).

main register In company law, the main **register of members** as against an **overseas branch register** (Companies Act 2006 s131(1)).

main residence A person's principal home which qualifies for relief from capital gains tax (Taxation of Capital Gains Act 1992 s222(5)).

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"in order to qualify for the relief a taxpayer must provide evidence that his residence at a property showed some degree of permanence, some degree of continuity or some expectation of continuity."
Goodwin v Curtis. CA [1998] STC 475

main residence relief Relief from capital gains tax for the main residence of a taxpayer or a taxpayer and spouse or civil partnership. The relief is given by Taxation of Capital Gains Act 1992 s222.

Where this relief applies, the residence is automatically outside the scope of anti-avoidance provisions for transactions in land (Income Tax Act 2007 s767).

mains (1) Electrical supply from a national supply, as against from a battery or other source.
(2) Scottish term for a home or farm.

main secondary percentage Rate of class 1 national insurance payable by an employer on an employee's earnings which lie between the **earnings threshold** and the **upper earnings limit**.

mains services Part of a building (Capital Allowances Act 2001 s21(3) List A).

mainstream Chapter 2 surrenderable loss

In relation to corporation tax in Northern Ireland, this term is defined in Corporation Tax Act 2010 s357PC(3)(b).

mainstream contractor In **Construction Industry Scheme**, a person who carries on a business of construction operations (Finance Act 2004 s59(1)).

Unlike a **deemed contractor**, a mainstream contractor must register

regardless of turnover.

mainstream corporation tax (MCT)

Total corporation tax paid by a company, including any **advance corporation tax** (which is generally abolished from 1999).

mainstream qualifying land remediation loss

In relation to corporation tax in Northern Ireland, this term is defined in Corporation Tax Act 2010 s357QB(3)(b).

maintain

In finance, to provide funds on a continuing basis, such as to support a partner or a child, or for a charity or a project.

maintain charge

Function in HMRC **SAFE** computer system to post or amend a standover charge (Inspectors' Manual at DMBM 121020).

maintained school

"A community, foundation or voluntary school, a community or foundation special school or a maintained nursery school" (Childcare Act 2006 s106).

"Any of the following schools in England:

- (a) a community, foundation or voluntary school,
- (b) a community or foundation special school, or
- (c) a maintained nursery school"

(Education and Inspections Act 2006 s59).

maintenance

Payment made by a person to support a former husband, wife or civil partner, or by a person to support a child.

A **maintenance payment** may attract income tax relief.

Payments of **family maintenance** are excluded from the scope of inheritance tax (Inheritance Tax Act 1984 s11).

maintenance calculation

Calculation made to determine the amount of maintenance payable for a child (Income Tax Act 2007 s454(8)).

maintenance deduction

Amount of tax relief that could be claimed before 6 April 1988 for **small maintenance payments**. All such payments are now made gross.

maintenance funds for historic land and buildings

Form of **discretionary trust** established for the maintenance of specified lands and buildings.

Such funds are relieved from the various tax charges that would otherwise apply to such a fund.

maintenance margin

In investment, the lowest amount of funds a broker will allow a counterparty to maintain when trading on margin.

maintenance order

Notice which a Scottish local authority may serve on the owner of a house in a **housing renewal area** requiring the property to be maintained to a reasonable standard (Housing (Scotland) Act 2006 s42).

maintenance payment	Payment to or for a former spouse or civil partner or child. A tax reduction equal to 10% of the payment may be allowed under Income Tax Act 2007 s453.
maintenance trust	A tax-advantaged discretionary trust established to maintain a historic building, work of art or similar.
main transgressor	Term used in relation to disqualifying someone who instructs an unfit director. The term is defined in Company Directors Disqualification Act 1986 s8ZA(1) as inserted by Small Business, Enterprise and Employment Act 2015 s105.
Major, John	English Conservative politician (1943-) who served as Chancellor of the Exchequer from 26 October 1989 to 28 November 1990 in the government of Margaret Thatcher whom he succeeded as prime minister until 1997. Major presented only one Budget, in which he introduced the TESSA and joined the EU exchange rate mechanism.
major audit	Audit which is either of a listed company or where "there is a major public interest" (Companies Act 2006 s525(2)). A major public interest is determined by guidance from the Secretary of State.
major change in nature of trade	When an existing business makes a major change in the nature or conduct of its business. Such a change can restrict the ability to claim loss relief across the date of change. Guidance is given by HMRC in statement of practice SP 10/91. A major change must be more than "significant" but does not have to be "fundamental".
major infrastructure project	Major planning project such as an airport or power station, for which different planning procedures apply (Town and Country Planning Act 1990 s76A).
major interest	For companies, "A has a major interest in B at any time, if at that time (a) A and one other person (C), taken together, have control of B, and (b) A and C each have interests, rights and powers representing at least 40% of the holdings, rights and powers as a result of which A and C are taken to have control of B" (Corporation Tax Act 2009 s473). The section continues to explain how a major interest can exist when there are subsidiaries.
major interest in land	This means either a freehold interest or a lease on which there is at least 21 years to run. For VAT, "in relation to land, means the fee simple or a tenancy for a term certain exceeding 21 years, and in Scotland means the interest of the owner, or the lessee's interest under a lease for a period of not less than 20 years" (Value Added Tax 1994 s96(1)). Such a supply may be zero-rated for VAT under Group 5. For corporation tax relief for land remediation, this term is defined in

Corporation Tax Act 2009 s1178A.

majority	At least half of a defined population, such as voters.
Majority Report	This specifically refers to a report of 1909 into the working of the poor laws . It recommended that poverty originates in immorality, the poor laws should remain and that too much outdoor relief was provided. A Minority Report was also published. Neither was acted upon.
majority shareholder	Shareholder who owns or controls at least 50% of the company's shares.
majority stake	Holding of more than 50% in any enterprise. This allows the holder to exercise control over the enterprise as he can outvote all other holders. Company law provides exceptions for some special resolutions which require a super-majority (usually 75%), and also protects minorities from abusive behaviour.
majority verdict	Verdict of a jury that is not unanimous.
major medical expense insurance	Insurance that pays out for certain types of surgery, but not for other forms of medical treatment or illness or injury.
major public interest	Declaration made by the Secretary of State in respect of an unlisted company. Where such an interest is declared, the audit of the company is a major audit . This means that if the auditor is obliged to resign that position, he must state his reasons to the Secretary of State under Companies Act 2006 s523, rather than to his professional body.
major sporting event	Finance Act 2014 s48 allows the Treasury to make regulations to exempt participants from liabilities to pay income tax and corporation tax.
Make Poverty History	Debt reduction campaign of 2005, designed to eliminate unpayable debt of poor countries, to lift those countries out of poverty.
maker of manufactured payments	For the purposes of the accrued income scheme , this term is defined in Income Tax Act 2007 s647.
make-weight	Small item added to goods (particularly loose fold) sold to ensure that it is not below the agreed weight.
making an investment	Term used in Income Tax Act 2007 s336 and Corporation Tax Act 2010 s221 in relation to community investment tax relief . Sub-section 1 states that "an individual makes an investment in a body at any time when — (a) the individual makes a loan (whether secured or unsecured) to the body, or (b) an issue of securities or of shares in the body, for which the

individual has subscribed, is made to the individual”.

making a price	In investment, to quote a buying and a selling price for a security.
making sausage	Business jargon for discussing potential financial gains in front of a customer.
making work pay	Political basis for ensuring that social security benefits are always less than payment that can be earned from working. It was the main slogan behind the introduction of universal credit.
Making Tax Digital (MTD)	HMRC publication of December 2015, outlining proposals for greater use of technology in tax administration over the following five years.
mala fide	Latin: in bad faith.
mala fides	Latin: bad faith.
mala grammatica non vitiat chartam	Latin: bad grammar does not vitiate a deed.
mala in se	Latin: bad in itself. This term means an act which is bad in itself, such as murder, rather than mala prohibita deriving its badness from context, such as smuggling.
mala praxis	Latin: bad practice. The term is commonly used when a doctor injures a patient by neglect or lack of skills. This is actionable.
mala prohibita	Latin: bad by prohibition. This term refers to an act which is not mala in se , that is not bad in itself, but is bad only by being prohibited.
maladministration	Incompetent or bad administration, particularly in a public body.
Malawi	African country. Its currency is the kwacha of 100 tambala. The UK has a double taxation agreement of 1955 amended by a protocol of 1978. A pension paid from this country may be exempt from income tax under Income Tax (Earnings And Pensions) Act 2003 s643.
Malaysia	Eastern country. Its currency is the Malaysian dollar or ringgit of 100 sen. The UK has a double taxation agreement of 2010 amended by a protocol of 2010.
Malaysian dollar	Currency of Malaysia.
Malaysian ringgit	Another name for Malaysian dollar .
Malcolm II	King of Scotland from 1016 to 1034.
Malcolm III	King of Scotland from 1058 to 1093.
Malcolm IV	King of Scotland from 1153 to 1165.

Maldives	State of islands in Indian Ocean. Its currency is the rufiyaa of 100 laarees. The UK has no double taxation treaty.
maledicta 13expositio quae corrumpit textum	Latin: it is a bad exposition which corrupts the text.
male servant tax	Excise duty charged from 1777 to 1885 at one guinea for every servant kept.
male servant duty	Duty imposed on male servants by Revenue Act 1869 and repealed by Finance Act 1937 s5.
malfeasance	Commission of an act which is unlawful. This should be distinguished from: <ul style="list-style-type: none">• non-feasance: failure to do what the law requires; and• misfeasance: doing what the law requires improperly.
Mali	African country. Its currency is the CFA franc of 100 centimes. The UK has no double taxation treaty.
malice	In law, the nature of a wrongful act intentionally carried out without just cause. It is an element in several offences, such as malicious prosecution, and malicious falsehood.
malinger	Feign sickness to avoid duty.
mall	Pedestrianised shopping area.
Mallalieu v Drummond	Leading case from the House of Lords on allowability of personal expenditure. It concerned the plain skirts and blouses a lady barrister was obliged to wear in court. It held that the clothes had a dual purpose and so were not allowable. It was not relevant that she chose not wear such ordinary clothing other than for court appearances. Its full citation is <i>Mallalieu v Drummond [1983] 57 TC 330</i> .
malmsey	Strong sweet wine, originally from Greece and Spain.
malmsey duty	An excise duty first introduced in 1490 on this sweet wine.
malt	Grain widely used to make alcoholic drink.
malt duty	Excise duty charged between 1697 and 1880 as an indirect means of taxing beer. It was abolished in June 1880 when beer duty was reinstated.
Malta	European country and member of the European Union. Its currency is the euro of 100 cents. The UK has a double taxation convention of 1994.
Maltese lira	Currency of Malta.

malt extract	Regulations regarding the grading and marking of such extract is apparently still governed by SI 1936 No 309.
Malthusian Doctrine	Doctrine that the population tends to outrun the means of its own subsistence. The doctrine was postulated by the Revd T R Malthus (1766-1834).
maltote	An additional export tax charged between 1294 and 1297. Some forms of it continued into the 14 th century.
malum in se	Latin: wrong in itself.
malum prohibitum	Latin: what is wrong just because it is prohibited.
malversation	Misbehaviour in office, such as bribery and embezzlement.
Mamlakat al-Babrayn	Arabic: Kingdom of Bahrain.
MAMA	Models and Managers Association.
Mammon	God of this world, as personified by a desire for wealth. The Bible teaches "you cannot serve God and Mammon" (Matthew 6:24; Luke 16:13).
managed account	Investment account run on behalf of a client according to their general instructions.
managed currency	Currency whose exchange rate is not determined solely by market forces but is influenced by actions from a government, central bank or similar authority.
managed fund	A pooled investment fund which is actively managed by a fund manager . Often, investment is only possible through a linked life insurance policy issued by the insurance company which is managing the fund.
managed migration	Term used by Department of Work and Pensions to refer to the migration of claimants to universal credit from other means-tested benefits. The process runs from 2013 to 2019.
managed on a unified basis	"Two or more undertakings are managed on a unified basis if the whole of the operations of the undertakings are integrated and they are managed as a single unit. Unified management does not arise solely because one undertaking manages another" (FRS 2 para 12).
managed payment plan	Scheme introduced in April 2011 allowing payment of tax to be made over several months instead of in a single payment. Some payments are made in advance of the due date and some in arrear. Provided the plan has been followed, no penalty is charged for late payments after the due date.

managed rate	Rate of interest charged or offered on investments which is neither predetermined nor related to base rate, but is fixed by management.
managed service company (MSC)	<p>A company where:</p> <ul style="list-style-type: none">“(a) its business consists wholly or mainly of providing (directly or indirectly) the services of an individual to other persons,(b) payments are made (directly or indirectly) to the individual (or associate of the individual) of an amount equal to the greater part of all the consideration for the provision of the services,(c) the way in which those payments are made would result in the individual (or associates) receiving payments of an amount (net of tax and national insurance) exceeding that which would be received (net of tax and national insurance) if every payment in respect of the services were employment income of the individual, and(d) a person who carries on a business of promoting or facilitating the use of companies to provide the services of individuals (“an MSC provider”) is involved with the company” (Income Tax (Earnings And Pensions) Act 2003 s61B(1)). <p>PAYE provisions are given in PAYE regulations SI 2003 No 2682 from reg 97ZA.</p> <p>This term was introduced on a change in the law in 2007. This extends the scope of IR35 regulations to a company that provides the personal services of individuals to other companies on the basis that would otherwise be similar to employment.</p> <p>The allowable expenses for such a company are given in Corporation Tax Act 2009 s141.</p>
managed unit trust	Another term for managed fund .
management	<p>Collective term for those persons responsible for the day-to-day running of a business.</p> <p>Accounting standards (such as FRS 8) distinguish between management and control. Both involve running a business or, to be more precise, power over assets. The distinction is that a person exercise management when this power is exercised for someone else's benefit, and control when exercised for his own benefit.</p> <p>Management developed during the 19th century when railway companies, and later banks, became too large to be run by the people who owned them. Business management is now a separate discipline.</p>
management accounting	Reporting accounting information within a business, for management use only.
management added prize money	In bingo, the amount by which the total value of prizes won in a week exceeds the stake money less duty.
management buyin (MBI)	Purchase of a company by outsiders who provide new management.

management buyout (MBO)	<p>Acquisition of a business by people who work there.</p> <p>Such an acquisition is often funded externally. As the new management will intimately know the business, this can be an attractive prospect for investors and lenders.</p> <p>For accounting and tax purposes, an MBO is simply a takeover of an existing business.</p>
management charges	<p>These are tax deductible, provided they are commercially justified and reasonable in amount.</p> <p>They may be investigated if it appears they are being used to manipulate loss relief.</p> <p>If the companies are in different tax jurisdictions, they also may be investigated for transfer pricing. Notes are given in the Inspectors' Manual at BIM38230.</p>
management committee	<p>Body elected by partners to run their partnership. The relationship between a member of a limited liability partnership and this committee can be a factor in determining whether the member should be taxed under PAYE. The matter is explained in an HMRC Technical Note of 10 December 2013.</p>
management control system	<p>A system of organisational information gathering, accountability and feedback. It is designed to ensure that the enterprise adapts to changes in its substantive environment and that the work behaviour of its employees is measured by reference to a set of operational goals so that the discrepancy between the two can be reconciled and corrected.</p>
management expenses	<p>The term has a specific meaning in relation to loss relief in Corporation Tax Act 2010 s103.</p>
management fee	<p>In investment, charges made by the managers of a fund.</p> <p>In relation to disguised investment management fees, this term is specifically defined in Income Tax Act 2007 s809EZB as inserted by Finance Act 2015 s21.</p>
management group	<p>Group of financial institutions that co-ordinate with a lead manager in the pricing and distribution of the issue of new securities.</p>
management letter	<p>Letter often sent by accountants to a business before issuing an audit report, setting out suggestions as to how the accounting and internal control procedures could be improved.</p>
management receiver	<p>Person appointed under a restraint order to receive property (Proceeds of Crime Act 2002 s48).</p>
manager of the authorised investment fund	<p>In relation to chargeable gains of an insurance company, this term is defined in Taxation of Capital Gains Act 1992 s210C.</p>
Managing Deliberate Defaulters (MDD)	<p>Scheme launched by HMRC in 2011. It involves closer monitoring of tax</p>

defaulters, namely anyone who has incurred a penalty for deliberate tax evasion. The close scrutiny lasts until HMRC is satisfied that the person's tax affairs are in order. This is usually between two and five years.

Further details are given on HMRC factsheet CC/FS14.

managing director	Person who is the most senior manager in a business.
managing trustees	Trustees who manage an organisation on a day-to-day basis, unlike holding trustees.
managing underwriter	American term for a lead underwriter .
manat	Currency of Turkmenistan.
Manchester School	Group of free traders in mid-19 th century who sponsored the Anti-Corn League.
mancipation	In Roman law, a legal transaction effected by an actual or symbolic sale.
mandamus	<p>Writ ordering a person to discharge a legal duty.</p> <p>An order cannot be made on the Crown (government) itself, but can be made against a minister. An example of this is <i>R v Secretary of State for Social Services, ex parte Grabaskey</i>. <i>The Times</i> 15 December 1972. A mandamus order can only direct that a duty be carried out; it cannot direct <i>how</i> that duty is to be discharged.</p>
mandarin	Colloquialism for a senior servant, particularly one who is pompous and officious. The term was originally a Portuguese term for Chinese officials.
mandatarius 17terminos17 sibi positos transgredi non potest	Latin: a mandatory cannot exceed the limits imposed upon him.
mandate	<p>(1) Instructions to the bank on who may sign cheques.</p> <p>(2) Authority claimed by a successful political party to implement its manifesto after winning an election.</p>
mandatory bid	Compulsory bid, particularly the requirement to mount a takeover bid when someone owns 30% or more of the shares of a listed company.
mandatory e-filing	Requirement that certain tax returns must be filed electronically and not on paper. The power to require this is Finance Act 2002 s135.
mandatory greenhouse gas reporting	<p>This was introduced in 2013. It aims to allow investors to incorporate emissions, energy and other resource efficiencies into analyses and provide shareholders and other stakeholders with better environmental disclosure. It also contributes to the government's emission reduction objectives through increasing the number of companies reporting on carbon.</p> <p>It requires all UK quoted companies to report on their greenhouse gas emissions as part of their annual Directors' Report.</p>

The requirement affects all UK incorporated companies listed on the main market of the London Stock Exchange, a European Economic Area market or whose shares are dealing on the New York Stock Exchange or the American/Canadian stock exchange NASDAQ.

mandatory quote period	Term used on the London Stock Exchange during which security prices must be displayed.
mandatory terms	Terms that the law requires in a consumer contract (Consumer Rights Act 2015 s73).
mandavi ballivo	Latin: I have commanded the bailiff.
Mandela rules	Common name for United Nations Standard Minimum Rules for the Treatment of Prisoners rule 4. It is named after Nelson Mandela (1918-2013), former South African president who was imprisoned for 27 years. The rule states that the primary purposes of imprisonment are to protect society and reduce recidivism.
Manes	Spirit or ghost of a dead person under Roman mythology. To "appease his Manes" means to observe such legacy, disposition of property, or funeral practice as would have pleased the deceased.
Man Friday	Faithful, willing and versatile attendant. The term comes from a character of that name in <i>Robinson Crusoe</i> .
man hour	Work done by one man (or woman) in one hour.
manifest	List of passengers or cargo carried on an aeroplane or ship. The term can refer to an invoice for cargo.
manifesto	Public declaration of the policies of a political party or other person seeking office.
manilla	(1) Strong paper, usually brown, used for envelopes and packaging. Originally the paper came from the abaca plant. (2) West African bracelet that can be used as a form of money.
manille	In certain card games such as ombre and quadrille, the highest card but one.
manipulate	Contrive to make different, particularly when accounts are subject to creative accounting to make the underlying entity seem healthier.
manipulation of price	Artificial arrangements that affect a price to achieve a tax saving. There are anti-avoidance provisions to counter this, such as in Taxation of Capital Gains Act 1992 s151D.
mana from heaven	Unexpected provision or benefit. The term comes from the food God showered on the Israelites in the wilderness (Exodus 16:15, the Bible).

manners-bit	Old term for the practice of a guest leaving some food on a plate to indicate to the host that the food provided was more than adequate.
Manninen claim	Claims for tax relief on cross-border dividends paid within the EU. The name comes from the leading case C-319/02.
man of straw	Person who has little wealth, particularly when engaged in such activities as fighting a legal action where the other party stands little prospect of recovering costs.
manor	Self-contained estate of a local lord.
manpower	Number of people or quantity of man hours available or required.
manpower forecasting	Process of calculating how many people will be required and how many will be available.
manpower planning	Process of planning to have sufficient workforce available when required.
Manpower Services Commission (MSC)	<p>Non-departmental body of Department of Employment created in 1973 to co-ordinate employment and training in the UK. It pioneered Youth Training Scheme (YTS) and other programmes.</p> <p>It started to be wound down from 1987, was briefly branded the Training Agency, before being replaced by training and enterprise councils (TECs) in 1990. These were themselves replaced in 2001 by the Learning and Skills Council. This was itself abolished in April 2009 and replaced by Young Peoples Learning Agency.</p>
manse	Ecclesiastical residence, particularly of a minister in the Church of Scotland.
mansion	Large house. The term originally meant a halting place or inn.
Mansion House	Official residence of the Lord Mayor of London.
mansion tax	Name given to a tax proposed by Vince Cable MP at the Liberal Democrat party conference in 2009. The proposal was to introduce a wealth tax of 0.5% each year on properties worth more than £1 million. In 2014, the Labour party proposed a similar tax. Neither was introduced.
mansuetae naturae	<p>Latin: tame by nature.</p> <p>Description of animals such as a cow, horse or dog.</p>
mantissa	Fractional part of a logarithm .
mantolen	Welsh: balance sheet.
manual seal	Seal applied by hand, as from a signet ring.

manual tagging	<p>Insertion of iXBRL tags on corporation tax other than automatic tagging.</p> <p>Tags are entered from a list either from that supplied free by HMRC for simple companies, or from commercial software. The use of these tags is compulsory from 1 April 2011.</p>
manual transmission	<p>Arrangement in a car where the gear is selected by the driver using a gear lever, as against automatic transmission where the gear is determined according to the speed of the vehicle.</p> <p>A driver who passes a test in car with manual transmission may drive cars with either manual or automatic transmission.</p>
manual unstructured processing of personal data	<p>“Means the processing of data which is not the automated or structured processing of personal data” (Data Protection Act 2018 s21(4)).</p>
manufacture	<p>For the purposes of Customs preference, this covers any processing, working, specific operations or assembly (except for certain minimal processes) carried out in the manufacture of the product in the European Union (EU).</p>
manufactured dividend	<p>Payment due under a contract to replace a dividend that the recipient would otherwise have received. An example is when shares have been “lent” to another person or business. These arrangements have been used for tax avoidance.</p> <p>Since 1960, there have been provisions to counter such arrangements by treating a manufactured dividend (whether or not actually paid) as if it were a real dividend.</p> <p>The formal procedure for manufactured dividends came into force on 25 February 1992, with detailed regulations from 29 June 1992.</p> <p>The income tax treatment is given in Income Tax Act 2007 from s573.</p> <p>Capital gains tax provisions are given in Taxation of Capital Gains Act 1992 s263D.</p>
manufactured gas plant	<p>Place where coal gas was produced.</p>
manufactured interest	<p>Payment made which is the equivalent to interest on loan without legally being such.</p> <p>The corporation tax implications are set out in Corporation Tax Act 2009 from s539; the income tax implications in Income Tax Act 2007 from s578.</p>
manufactured interest relationship	<p>Relationship between two parties where one pays manufactured interest to the other (Corporation Tax Act 2009 s539(6)).</p>
manufactured overseas dividends	<p>The tax position is explained in Income Tax Act 2007 s581.</p>
manufactured payments	<p>Payments that are the equivalents of dividends and other distributions, but without being within the definition.</p> <p>Income tax provisions are set out in Income Tax Act 2007 from s572 and from s918.</p>

manufactured payments contract	For the purposes of the accrued income scheme , this term is defined in Income Tax Act 2007 s647.
manufacturing	In economics, the section of industry which makes products, as against those which provide services.
manufacturing equipment	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.
manufacturing profit	Difference between the cost of buying in an item as against making it in-house.
manumission	Legal process of freeing a slave.
manuscript	Any document which is hand-written. The term is also used for documents which have been personally produced on a typewriter or word processor.
manuscript accounts	Accounts which are written by hand on paper, as against accounts kept on a computer or other machine.
manuscript paper	Paper that is ruled with five-lined staves for writing music. As blank paper, it is standard-rated as stationery. If sold as finished music, it may qualify for zero-rating under Value Added Tax Act 1994 Sch 8 Group 3 as explained in VAT notice 701/10.
Maoism	Form of Communism advocated by Mao Tse-Tung of China.
MAPPA	Multi-Agency Police Protection Arrangements.
maps	For VAT, maps are zero-rated under Value Added Tax Act 1994 Sch 8 Group 3, provided that they are designed to present the natural or artificial features of countries, towns, seas or the heavens. They may be produced on any material, and may be a single sheet, in a book or folded. Framed maps and decorative maps are standard-rated. Further details are given in VAT notice 701/10.
MAR	(1) Mileage allowance rate. (2) Market Conduct Sourcebook, published by the Financial Conduct Authority.
maraud	Roam in the quest of plunder.
March	Third month of the calendar year, and twelfth and final month of the financial year. It has 31 days.

Marché à Terme Internationale de France (Matif)

France's financial future exchange. It is now part of Euronext.com.

marches

Border marks, particularly between England and Scotland.

marching orders

Colloquialism for the dismissal of a person.

marchioness

Wife of a marquis.

MARD

Mutual Assistance Recovery Directive.

Mardi Gras

French for Shrove Tuesday, particularly when applied to festivals celebrated on that day.

MARD-related instrument

"Means any EU instrument (including one made after the passing of this Act) that lays down detailed rules for implementing MARD"
(Finance Act 2011 Sch 25 para 16).

mare clausam

Latin: closed sea, namely a sea wholly within the jurisdiction of one state.

mare liberum

Latin: free sea, namely a sea that is open to navigation to all states.

mare's nest

Something that appears to be a great discovery but proves not to be.

Mareva injunction

Order of a court that prevents a person transferring assets to outside the country. They are usually now called **freezing orders**.

The name comes from the case *Marevia Compania Naviera SA [1980] 1 All ER 213. CA.*

Margaret

Queen of Scotland from 1286 to 1290, when she died aged 7.

margin

(1) The amount by which the selling price of an item exceeds the price paid on its purchase.
(2) The edge, particularly of a sheet of paper or of society.
(3) The term is occasionally used to mean a variance from standard that is tolerated by management.

margin account

Account with a broker where the client may purchase securities by depositing only a portion of the funds needed in advance.

marginal analysis

In statistics and management mathematics, analysis at the edge. This may be used to determine whether it is worth adding a new product to a range.

marginal cost

Cost of producing one *additional* item.

This figure is often used to determine whether to accept an *additional* order after existing orders have in effect recovered all the overheads through normal sales.

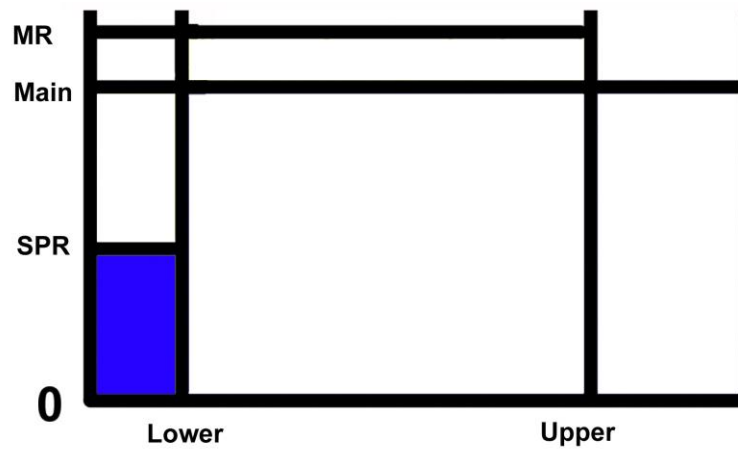
For example, if a factory costs £1 million in overheads to run, and produces 1 million items where the labour and materials cost 40p each, the **direct cost** is £1.40, including £1 **contribution** to overheads. If it makes one

extra item, it does not need to make any further contribution to overheads, so the marginal cost is just 40p.

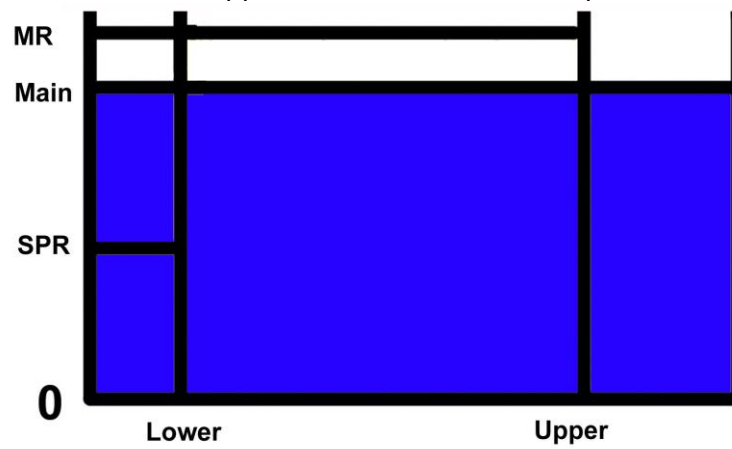
marginal costing	Costing which uses marginal costs , such as calculating the contribution each item makes to overheads.
marginal decision	Decision which is finely balanced.
marginal items of pay	Expenses and other elements of the remuneration package paid to an employee but of which the payroll department did not know at the time. HMRC guidance allows such items to be taxed and subjected to national insurance in the later pay period when discovered, except where to do so would affect an employee's benefit entitlement.
marginal land	Land where its planned use is barely justifiable, such as when the clean-up costs would consume any profit from development, or where farming is particularly difficult.
marginal pricing	Practice of determining the price of a product or service as the marginal cost plus a contribution to fixed overheads plus profit.
marginal propensity to consume (MPC)	Economic term for the proportion of the last pound earned that is spent on consumption. For example, if a person earns £1 more and consumes 70p of it, the MPC is 0.7.
marginal purchase	Purchase which the buyer thinks is just worth making.
marginal rate of tax	<p><i>Definition</i></p> <p>The marginal rate of tax is the rate of tax paid on the next pound earned. In the case of income tax this will increase as a person moves from one band to the next. For more details on the UK income tax system, you may want to look at the explanation of the tax system.</p> <p>For corporation tax, the marginal rate (MR) is calculated as:</p> $MR = \frac{(U \times M) - (L \times S)}{(U - L)}$ <p>where: U is the upper limit, L is the lower limit, and M and S are the main corporation tax rate and the small profits rate respectively, both as decimals (so 26% is 0.26).</p> <p>The marginal rate for corporation tax is higher than the main rate. For the main rate of 26% and small profit rate of 20%, the marginal rate is 27.5%.</p> <p>The marginal rate is expressed as a decimal, and so must be multiplied by 100 to become a percentage.</p> <p><i>Explanation</i></p> <p>While the upper and lower limits are £300,000 and £1,500,000 respectively (as they have been since 1994), the marginal rate is simply the main rate plus a quarter of the difference between the main rate and small profits rate.</p> <p>This can easily be shown by a chart. The vertical axis represents the rate of corporation tax; the horizontal represents the amount of taxable profit, and</p>

the coloured areas represent the amount of tax payable.

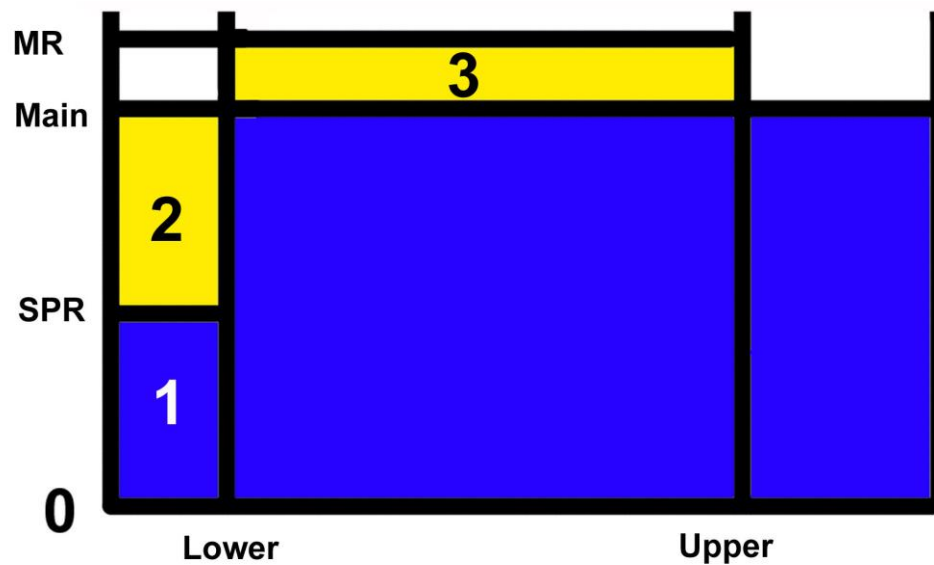
For profits up to the lower threshold, the tax is represented thus:



For profits above the upper threshold, the tax is represented thus:



It can be seen that that, in addition to charging to charging the standard rate for all profits above the lower threshold, there needs to be some topping up of the tax payable on profits up to the lower threshold.



In the chart above, an additional amount of tax (area 3) must be imposed between the lower and upper thresholds to top up the tax paid below the lower limit (area 2).

To do this, area 3 must be the same size as area 2.

As the distance between the lower and upper thresholds is four times as wide as the distance from 0 to the lower threshold, area 3 is half the height of area 2. In other words, the additional tax payable under the marginal rate is one quarter of the difference between the two rates of corporation tax.

marginal relief

Amount by which the full rate of **corporation tax** is relieved when taxable profits lie between the lower and upper limits. The formula uses a **standard fraction**. The law is Corporation Tax Act 2010 s19.

The standard fraction is calculated as:

$$SF = \frac{(M - S)}{(U-L)/L}$$

where U is the upper limit, L is the lower limit, and M and S are the main corporation tax rate and small profits rate respectively, both as decimals (so 26% is 0.26).

In practice, the numerator and denominator are usually multiplied by 10, 50 or 100 to avoid having decimals in the answer. The numerator and denominator are calculated separately; the answer is not reduced to a decimal.

For the 2011/12 rates of 26% and 20%, the fraction is 0.06/4. This is more conveniently expressed as 3/200.

marginal retention rate

The amount of income a taxpayer keeps after deducting taxes.

If a taxpayer is subject to 20% income tax and 12% national insurance, their marginal retention rate is 68%.

marginal revenue

Income generated by selling one more item.

25mariage25 de convenance

French: marriage of convenience, that is for money or position.

marina

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

margin calculator

Calculator which is particularly designed to calculate profit margins.

margin call

Request to a purchaser of an option or futures contract to make a further payment because a fall in the value of the underlying security has reduced the value of the original margin deposited.

margin of safety

Any additional facility to provide additional safety. In finance, this commonly refers to units of production which are certain to sell above the **breakeven point**.

In management accounting, the term is sometimes given a specific meaning as an inflated figure for **breakeven point** to provide a margin of safety. For example, if a breakeven point is 1000 units for sales revenue to cover production costs, the margin of safety may be set at 1100 units.

margin scheme

Any financial arrangement which is related to the profit margin rather than turnover. In particular, it refers to a special VAT scheme for **second-hand**

	goods (Value Added Tax Act 1994 s50A).
margin scheme package	A single transaction which includes one or more margin scheme supplies. For example – a margin scheme supply sold together with an in-house supply or an agency supply.
margin security	Security that may be bought on margin .
Marian year	Calendar system in use before 1752 where the year started on Lady Day, 25 March.
marine adventure	Risk incurred at sea, as defined in Marine Insurance Act 1906 s3
marine insurance	“A contract whereby the insurer undertakes to indemnify the assured, in manner and to the extent thereby agreed, against marine losses, that is to say, the losses incident to marine adventure ” (Marine Insurance Act 1906 s1).
marine pilots' benefit fund	“Means — (a) a fund established under section 15(1)(i) of the Pilotage Act 1983, or (b) any scheme replacing such fund.” (Finance Act 2004 s191(8)).
mariner	Term often used in tax law to mean a seaman .
marine store	Place where unwanted items from ships are kept. By extension, the term means a junk shop.
marine underwriter	Person who insures ships and their cargoes.
marine voyage	For hydrocarbon oil duty, “means a voyage in which the ship is at all times — (a) within the limits of a port, or (b) outside the United Kingdom” (Hydrocarbon Oil Duties (Marine Voyages Reliefs) Regulations SI 1996 No 2536 reg 2).
maritage	Historic right of a feudal superior to dispose of a vassal's heiress or heir in marriage, or to extract a fine.
marital acquest	Property acquired by a couple during their marriage. When the couple divorce, there is an assumption that the marital acquest will be divided equally unless there is good reason to the contrary. Assets brought by the parties to the marriage are usually viewed differently, though the court can order them to be shared also.
marital coercion	Defence to a criminal charge that a wife was pressured by her husband.
marital status	Whether a person is married. Strictly a person is either married or not. However it usual to classify people as one of: <ul style="list-style-type: none">• single (never married);

- married (currently married);
- widowed (husband or wife has died);
- divorced or separated (marriage has ended but husband or wife is still alive):
- civil partnership (relationship with a person of the same sex).

maritime	Pertaining to sea or to trade by sea.
maritime lawyer	Lawyer who specialises in matters to do with shipping.
Maritimes	Canadian provinces of Nova Scotia, New Brunswick and Prince Edward Island.
mark	<p>(1) German currency until the country adopted the euro in 2002. In 1945, the currency was divided with West Germany adopting the deutschmark and East Germany the ostmark. On reunification in 1990, the deutschmark was worth more than 100 times the ostmark.</p> <p>(2) Various older forms of coin in Germany and Finland.</p> <p>(3) Old weight equal to eight ounces. or the value of such weight in gold or silver. At one time, this was worth 13s 4d.</p>
mark banco	The German mark of fixed value used as a currency standard at the old bank in Hamburg.
mark-down	Item sold at a reduced price, particularly an item of food sold by a retailer as it nears its sell-by date .
marked gas oil (MGO)	<p>Gas oil on which hydrocarbon oil duty has not been paid. Customs notice 75 imposes conditions on its storage and use.</p> <p>It is a heavy oil of which not more than 50% by volume distils at a temperature not exceeding 240 degrees C and of which more than 50% by volume distils at a temperature not exceeding 340 degrees C. Marked gas oil also contains the prescribed markers quinizarin and Solvent Red 24 to allow for rebated off-road use.</p>
marked kerosene (MKO)	Heavy oil of which more than 50% by volume distils at a temperature not exceeding 240C and contains the prescribed kerosene marker coumarin. It is normally used for home heating purposes where it is exempt from hydrocarbon duty.
market	<p>Any place or arrangement which allows people to buy and sell from each other.</p> <p>Profits from selling rights in a market, when run as a trade, are subject to income tax (Income Tax (Trading And Other Income) Act 2005s12) or corporation tax (Corporation Tax Act 2009 s39).</p>
marketability	Ease with which an item can be sold.
market analysis	Study of a market, usually with a view to effective selling or investing.

market capitalisation	The value of a company as measured by the total stock market price of its issued and outstanding shares. This is calculated by multiplying the number of shares by the current market price of a share. It is also widely used as a definition of company size – hence, big corporations are usually referred to as large cap stocks (See also Small Caps)
market capitalization rate	Method of valuing the shares of a quoted company by using the return from the shares and dividing it by this rate.
market condition	“A condition upon which the exercise price, vesting or exercisability of an equity instrument depends that is related to the market price of the entity’s equity instruments, such as attaining a specified share price or a specified amount of intrinsic value of a share option, or achieving a specified target that is based on the market price of the entity’s equity instruments relative to an index of market prices of market prices of equity instruments of other entities” (FRS 102 glossary).
market day	Fixed day when a market is held in a particular place.
market development strategy	Selling an existing product/service in a new and developing market.
market economist	Person who specialises in the economics of stock markets.
market failure	When the free market does not allocate resources effectively, and intervention (usually from government) seems justified.
market for loanable funds	Money market where companies borrow for investment, and where consumers put their savings.
market forces	Influences caused by the normal action of markets.
market gardening	<p>In the first five years, a loss from this trade may only be offset against other profits to the extent that the activity is run commercially (Income Tax Act 2007 ss67-68; Corporation Tax Act 2010 s48).</p> <p>Where market gardening is a trade, it is subject to income tax (Income Tax (Trading And Other Income) Act 2005s9) or corporation tax (Corporation Tax Act 2009 s36).</p>
market-house	Building in which a market is held.
market housing	Accommodation acquired at normal market rates, as opposed to social housing .
market-if-touched (MIT)	In investment, an order that becomes a market order if a particular price is reached.
market index	An index of measuring the overall size or movement of a financial market.
marketing	Process of making products and services known with a view to increasing their sales.

The Chartered Institute of Marketing definition is “the management process responsible for identifying, anticipating and satisfying customer requirements profitably”.

Traditionally marketing comprises advertising, distribution and selling. However there are many other elements which play a part, such as packaging and general customer service. Ultimately all dealings between a supplier and customer may be seen as a manifestation of marketing.

marketing agreement	Contract under which one company agrees to sell another's products.
marketing authority	Body that is responsible for marketing a product or commodity. Corporation tax provisions are given in Corporation Tax Act 2009 from s153.
marketing board	Statutory board entrusted with the sales of a particular commodity or food product. Subscriptions to such a body are generally tax-deductible as is discussed in the Inspectors' Manual at BIM 24850.
marketing concept	Recognition of a customer's needs or wants, and producing products or services which satisfy those needs or wants.
marketing cost	Cost of selling a product.
marketing department	Part of company which is responsible for marketing .
marketing mix	Those factors which promote marketing. The term was coined by Prof E Jerome McCarthy at Harvard Business School in the 1960s. The marketing mix traditionally comprises the four Ps : <ul style="list-style-type: none">• product: what is being sold must have inherent quality;• pricing: the price must be acceptable to the customer (not necessarily the lowest, but a higher price must be justified);• placement: how the product or service is distributed or otherwise supplied to the customer; and• promotion: advertising, sales promotion, publicity and the suchlike.
marketing orientation	Perceptions and attitudes of an organisation towards the products or services it sells, and to the customers to whom they are sold. Depending on circumstances, the marketing orientation could be product-oriented, sales-oriented, production-oriented, among others. Product orientation means developing such a wonderful product that it will sell itself. Sales orientation means concentrating on sales techniques, while production-orientation means shifting as many units as possible.
market maker	Member of a stock exchange who is required to provide a continuous service of prices at which he or she will buy or sell securities.
market neutral	Investment strategy that seeks to produce the same return regardless of what happens in the financial markets.

market-on-close (MOC)	In investment, an order to buy or sell at the ending of a trading session at a price within a preset range.
market-on-opening (MOO)	In investment, an order to buy or sell at the beginning of a trading sessions at a price within a present range.
market order	Instruction to buy or sell at the best available price, usually to be executed immediately.
market overt	<p>An open market where a buyer obtained good title to goods even if they were stolen.</p> <p>The right originated in 13th century as a means of allowing markets to sell goods without fear that someone will claim them as their property. Goods had to be sold between sunrise and sunset. The thinking was that someone who had goods stolen was negligent if they did not check their local market.</p> <p>This ancient right was abolished from 3 January 1995 by Sale of Goods (Amendment) Act 1994.</p>
market-penny	Old term for a secret commission by an agent, and which is therefore unlawful under agency law. The term originally meant a secret commission made by servants sent to buy goods for their master.
market power	When one individual or company can influence the performance of a market.
market price	Price at which goods are offered for sale in a market.
market rent only (MRO)	Provision in relation to pubs which is set out in Small Business, Enterprise and Employment Act 2015 s43.
market rights	Profits from this are taxed as if it were a trade (Income Tax (Trading And Other Income) Act 2005s12).
market rate	Usual price in a market.
market research reports	When these are bound, they may qualify for zero-rating for VAT (<i>City Research Associates Ltd [1984] VTD 189</i>).
market risk	<p>“The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.</p> <p>“Interest rate risk — the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.</p> <p>“Currency risk — the risk that the fair value or future cash flows of a financial instrument will 30fluctuate because of foreign exchange rates.</p> <p>“Other price risk — the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market”.</p>

(FRS 102 glossary).

Markets in Financial Instruments Directive

EC directive 2004/39 of 12 April 2004.

market value

Investment

In investment, the price for which a share or other security could be transferred between a willing buyer and a willing seller.

Options

For options, the **market value rule** may be required for determining the capital gains tax.

Pensions and employment income

For pensions, the market value of an asset held for the purposes of a pension scheme is to be determined in accordance with section 272 of the Taxation of Capital Gains Act 1992 and section 278(2) to (4) Finance Act 2004 (where dealing with a right or interest in respect of money lent directly or indirectly to certain parties).

The same definitions are used in relation to employment income (Income Tax (Earnings And Pensions) Act 2003 s421).

Property for employee

For property made available to an employee, market value "at any time is the price which the asset might reasonably be expected to fetch on a sale in the open market at that time" (Income Tax (Earnings And Pensions) Act 2003 s208).

Capital allowance

"In relation to any asset, means the price the asset would fetch in the open market" (Capital Allowances Act 2001 s577(1)).

Economics

Value of goods at the point of delivery (known as **factor cost**) plus any taxes and minus any subsidies.

Share

The price for which a share could be transferred between a willing buyer and a willing seller.

Leased plant and machinery

"The market value of any plant or machinery at any time is to be determined on the assumption of a disposal by an absolute owner free from all leases and other encumbrances"

(Capital Allowances Act 2001 s70YI(2)).

Capital gains tax

"Means the price which those assets might reasonably be expected to fetch on a sale in the open market"

(Taxation of Capital Gains Act 1992 s272(1)).

For rights of unit holders, another definition is given in s272J(5).

market value amount	<p>In relation to business premises renovation allowance, “means the amount of expenditure which it would have been normal and reasonable to incur on the works, services or other matters —</p> <p>(a) in the market conditions prevailing when the expenditure was incurred, and</p> <p>(b) assuming the transaction as a result of which the expenditure was incurred was between person dealing with each other at arm’s length in the open market”</p> <p>(Capital Allowances Act 2001 s360B(3C) as inserted by Finance Act 2014 s66(7)).</p>
market value rule	<p>For capital gains tax, a rule used to calculate the gain on an option (Taxation of Capital Gains Act 1992 s144ZA).</p>
market value weighted index	<p>A stock market index that is weighted so that larger companies have a greater impact. The FTSE-100 index is weighted; the FT 30 index is not.</p>
marking to market	<p>Another name for mark to market, when a marketable asset is valued at its current market price.</p>
Markit	<p>Company that provides respected measures of economic performance.</p> <p>“Markit’s pricing, reference data products and services use contributions from global institutions. Our independent information for a growing set of asset classes is used throughout industry for mark-to-market, research, reference, risk control and forecasting activities” (company website).</p> <p>Its products include Markit PMI which provides benchmark indicators on economic performance.</p>
markka	<p>Currency of Finland, before it adopted the euro in 2002.</p> <p>Gold coins for 1,000 or 2,000 markkaa may be regarded as gold investment coins for VAT purposes (VAT notice 701/12A).</p>
markkaa	<p>Plural of markka, former currency of Finland.</p>
mark of the beast	<p>The number 666 assigned to a beast representing the Antichrist, as stated in Revelation 13:15-18 in The Bible.</p> <p>The European Court of Human Rights held that the Russian tax authorities had not breached a Christian taxpayer’s freedom of religion under Article 9 of the European Convention on Human Rights when it assigned her a 12-digit taxpayer number containing three consecutive 6s. (<i>T Skugar v Russia</i>. ECHR. Case 40010/04. [2009]).</p>
Markov chain	<p>Statistical method used to determine the future outcome from a series of future events. It is named after the Russian mathematician Andrey Markov (1856-1922).</p>

Marks and Spencer case	<p>Term often used to mean the 2005 decision of the European Court of Justice that a loss made by a foreign subsidiary may be offset against a profit earned in the UK when all other forms of loss relief have been exhausted. This was not then permitted under UK tax law. UK law was changed in 2006.</p> <p>[The company has also been involved in extensive litigation with HMRC on VAT matters relating to the three-year cap and the doctrine of unjust enrichment.]</p>
mark to market (MTM)	<p>Basis of stock valuation using market value.</p> <p>It is defined as “bringing assets into account in each period of account at a fair value” (Finance Act 2002 s65(2)).</p> <p>Corporation tax provisions are given in Corporation Tax Act 2009 from s185.</p> <p>The tax consequences of moving to this basis from realisation basis are given in Income Tax (Trading and Other Income) Act 2005 s236.</p> <p>This basis was commonly used for liquid assets, particularly financial products and commodities. From 1 August 2001, the use of this method is restricted as explained in the Inspectors’ Manual at BIM33160.</p>
MARORS	Mileage Allowance Relief Optional Reporting System.
marque	Name or logo, particularly a trade mark on a property. It is a form of intangible asset .
marquis	Lord, junior only to a duke.
Marrakech Accords	Agreements that followed on from the Kyoto Protocol on implementing Clean Development Projects to reduce emissions of greenhouse gases.
Marren v Ingles	Court case from 1980. It established that there is a capital gains tax liability on ascertainable deferred consideration, such as when part of the consideration is based on future profits in an earn-out.
marriage	<p>Definition</p> <p>The voluntary union of one man to one woman to the exclusion of others.</p> <p>In law, the term now can also apply to a union between two people of the same sex.</p> <p>Although the term does not include civil partnership, all the tax consequences of marriage apply equally in that relationship.</p> <p>The Church of England teaching on matrimony is given in canon B30.</p> <p>Employer</p> <p>In employment law, it is generally an offence for an employer to discriminate against an employee because he or she is married or is not married (Sex Discrimination Act 1975 s3).</p> <p>Inheritance tax</p> <p>For inheritance tax, gifts in consideration of marriage were, from 4 April 1963, free of estate duty without limit under Finance Act 1963 s53 (repealed by Finance Act 1975). Limits were introduced by Finance Act 1968 s36 of £5,000 if made by a parent or ancestor or party to the marriage, and £1,000</p>

otherwise in respect of gifts made from 19 March 1968.

Tax provisions

There are many tax provisions that relate to marriage. These include:

- a couple may be entitled to a marriage allowance for income tax;
- transfers between them are regarded as being on a no gain/no loss basis for capital gains tax (Taxation of Capital Gains Act 1992 s58(1));
- inheritances are free of inheritance tax;
- the parties are regarded as **connected persons** for various tax provisions;
- travel to see a spouse working overseas is not a taxable benefit (Income Tax (Earnings And Pensions) Act 2003 s371).

Wills

Marriage automatically revokes a will previously made, unless it was made in contemplation of marriage to a particular person with the intention of continuing after the marriage (Wills Act 1837 s18).

marriage brocage

Procuring a marriage for reward. It is illegal.

marriage of convenience

Marriage that is legal but has been entered into to give one of the parties a right of residence.

A spouse who is married in another EU state may claim UK residence under Immigration (European Economic Area) Regulations SI 2006 No 1003 reg 17, unless the marriage is one of convenience. The Court of Appeal ruled in the case *Rosa v Secretary of State of the Home Department [2016]* that the onus of proof that the marriage was one of convenience lay with the Home Secretary.

marriage penalty

American term for the additional tax that a married couple in the USA may have to pay compared with the tax payable if they were two single people. Similar situations could arise under the UK tax system before 1990.

marriage relief

Customs term for the relief from duty when goods are brought into the UK consequent upon marriage. Details are given in Customs notice 3.

marriage settlement

Settlement made between husband and wife before or after the marriage. The terms of such a settlement may be considered in any divorce proceedings.

marriage tax

A tax charged between 1695 and 1706 to fund the war with France. It imposed a tax on marriage, birth, death, and being a bachelor or widower.

marriage value

Latent increase in value of property when the leasehold and freehold interests are combined.

Such a combination is usually effected by creating an **RTE company**. The marriage value is shared equally by the landlord and RTE company.

It should be noted that the marriage value may be much greater than the freeholder's existing interest. The longer the term of the lease, the lower is the marriage value. For a very long lease, the marriage value may be a

nominal sum.

married couple

For general use, see **marriage**.

For pension credit, "means a man and a woman who are married to each other and are members of the same household" (State Pension Credit Act 2002 s17(1)).

married couple's allowance (MCA)

Additional tax allowance that is still available at 10% for a married couple where either was born before 6 April 1935. (Income Tax Act 2007 s45).

Between 6 April 1990 and 5 April 2000, a married couple's allowance could be claimed by a couple regardless of age. The rate of relief was reduced to 20% in 1994; 15% in 1995; 10% in 1999 and abolished from 2000.

Between 6 April 1920 and 5 April 1990, a married man could claim a higher personal allowance.

An element of the MCA is the **transferable allowance** introduced from 6 April 2015.

married put strategy

In investment, the simultaneous purchase of stock and put options for an equivalent number of shares.

married woman's choice

Old term for the right of a married woman to elect to pay a lower rate of national insurance in return for receiving a lower level of benefit entitlement.

This right was ended in May 1977 but women who had already established this right are allowed to continue, subject to conditions.

Marshall, Alfred

British economist (1842-1924) who developed important concepts in microeconomics.

marshalling

(1) Finding, identifying and valuing property, particularly in insolvency.
(2) For barristers, "marshalling involves sitting with a judge, usually for up to a week. It provides [an] opportunity to see barristers making submissions in court and to discuss cases with the judge" (Bar Council website).

Marshall Islands

Country of islands in Pacific Ocean. Its currency is the US dollar of 100 cents. The UK has no double taxation treaty.

Marshall Plan

US programme of assistance to European countries from 1947 to prevent them falling under Communist influence after the war. The UK was a recipient. The term comes from then US Secretary of State G C Marshall.

marshmallow cone

Cone similar to an ice cream cone but pre-filled with marshmallow and with a sugar topping.

The VAT tribunal held that these were biscuits and not confectionary (*Kathy's Kones Ltd (No 2) VTD 14880 [1996]*).

mart

A place of trade.

Martens clause

Clause in an international treaty. It states that anything not specifically provided in the treaty is subject to international law and is therefore not

necessarily permissible. It was first used in the Hague Conventions of 1899 and 1909 at the behest of the Russian delegate Friedrich von Martens (1845-1909).

Martinmas	Christian festival of St Martin's Day on 11 November. Before 1991, it was one of the four old Scottish term days .
martyr	Person who dies for his or her faith. By extension, the term has come to mean any person, such as an employee, prepared to suffer an extreme detriment rather than compromise a belief.
Marxist	Pertaining to or subscribing to the Russian Communist teachings of Karl Marx (1818-32).
Mary	Queen of Scotland from 1542 to 1567.
Mary I	Queen of Great Britain from 1553 to 1558.
Mary II	Queen of Great Britain from 1689 to 1694, when she reigned jointly with her husband William III.
masculine gender	"In any Act, unless the contrary intention appears — (a) words importing the masculine gender include the feminine; (b) words importing the feminine gender include the masculine" (Interpretation Act 1978 s6).
mash	Mixture of crushed malt and hot water used for brewing.
mashing-tub	Where ingredients are mashed to make beer.
mash-tun	In brewing, a vessel with a perforated bottom in which grist is placed with hot water to form the wort .
Maslow's hierarchy	Model which identifies the different psychological needs of people. It is widely used in human resources management .
mass observation	Study of the habits, opinions and other characteristics of the population.
master	(1) For Customs purposes, "in relation to a ship, includes any person having or taking the charge or command of the ship" (Customs and Excise Management Act 1979 s1(1)). (2) Judge, namely Master of the Supreme Court or Master of the Bench. (3) Old term for an employer, as in "master and servant".
master agreement	In investment, the initial agreement between parties who intend to make financial arrangements. The agreement will deal with such matters as fixing the rates.
master budget	In management accounting, a combination of all budgets within an organisation to give a single statement covering all forms of financial

statement, so it will, for example, include a budgeted balance sheet and cash flow statement.

MasterCard	A credit card system formed in the USA. Its predecessor came to the UK as the Access Card in 1968. In 1979, the name MasterCard was generally adopted as the clearing system for cards provided by various issuers.
master copy	Original document from which copies are made.
master file	In traditional computing, data that holds static information, such as names, addresses and tax codes of employees for the payroll. The master file is updated by transaction files.
Master of the Household	Member of the Royal Household who is responsible for royal entertainment.
Master of the Rolls	Judge who presides over the Civil Division of the Court of Appeal .
Masters of the Supreme Court	Judicial officers of the Queens Bench and Chancery Divisions of the High Court. They are the equivalent to a district judge .
Master Trust scheme	In relation to pension schemes, this term is defined in Finance Act 2004 s279(1B) as inserted by Finance Act 2018 Sch 3.
master UCR	Master unique consignment reference that allows exporters to amalgamate declaration unique consignment references .
match	Short stick of wood tipped with a phosphorus or other easily ignited material. Matches are subject to VAT. Before 1992, they were also subject to matches and mechanical lighters duty .
matched bargain	In investment, a system of share dealing that relies on matching sales with corresponding buy orders. This tends to be used for shares and securities where there is little market.
matched book	In investment, a portfolio where the date on a traders' liabilities match those of his assets, or where borrowing costs match the interest on investments.
matched expenditure	Expenditure that it is taken into account in the same accounting period as related income. A simple example is that the cost of goods sold is taken into the accounts for the same period as the revenue from their sale. This is part of the accruals concept .
matched funding	Arrangement whereby the government, a local authority, individual or other benefactor agrees to make a donation equal to that otherwise raised. The idea is that it provides financial support for a good cause while still requiring those involved to raise funds themselves. With Gift Aid and matched funding, a donation of £100 can become worth £225. Care needs to be exercised to ensure that the donations for matching are clearly defined. There usually also needs to be a time limit and a cap on donations.

matched income	Income that corresponds to matched expenditure .
matches and mechanical lighters duty	Excise duty historically charged on matches from 1853 to 1860, and on matches and mechanical lighters from 1916 to 1992.
matching	Accounting transaction that expenses are matched against revenues in the period they are incurred. It is part of the accruals concept . This principle is also used in foreign exchange following the Midland Marine case, are discussed in the Inspectors' Manual at BIM39520.
matching concept	Another name for accruals concept .
matching grant	A grant or gift made with the specification that the amount donated must be matched from other sources on a one-for-one or some other prescribed basis.
38imi	Form of tea from Paraguay. It is specifically zero-rated for VAT. The drink is mentioned in Value Added Tax 1994 Sch 8 Group 1 Items Overriding The Exception 4. Group 1 zero-rates food. Excepted Item 3 standard-rates beverages. Overriding Item 4 reverses the standard-rating and reinstates the zero-rating.
material	In accounts, significant in amount. "Omissions or misstatements of items are material if they could, individually or collectively, influence the economic decisions of users taken on the basis of financial statements. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances. The size or nature of the item, or a combination of both, could be the determining factor" (FRS 102 glossary).
material acquisition	The purchase of an item whose amount is so substantial that it significantly reduces the liquid funds. Such an acquisition must be disclosed in the annual report.
material disposal	In relation to interests in oil fields, the term is defined in Taxation of Capital Gains Act 1992 s197(2).
material disposal of business assets	For entrepreneurs' relief , the capital gains tax implications are given in Taxation of Capital Gains Act 1992 s169I.
material evidence	Evidence that tends to prove or disprove the matter in contention.
material facts	Important and relevant facts, such as those which must be included in a prospectus for potential shareholders.
material fallacy	Fallacy in the manner of thought rather than in evidence.

material increase Increase in the value of a property that justifies revising its council tax band from the next sale (Local Government Finance Act 1992 s24).

material interest in a company

For the purpose of determining the tax liability of a director to benefits in kind, this expression is defined in Income Tax (Earnings And Pensions) Act 2003 s68. Broadly it means a director who owns at least 5% of the share capital.

materialism

Excessive devotion to financial prosperity. The term originally referred to the doctrine that denies the spiritual world.

materiality

General

Accounting principle that the accounts should not be cluttered with detail about amounts which are so small that they do not affect the picture painted by the accounts.

FRS 102

FRS 102 includes this as a **qualitative characteristic** of information in financial statements. This states:

Information is material — and therefore has **relevance** — if its omission or misstatement, individually or collectively, could influence the economic decisions of users taken on the basis of the financial statements. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances. The size or nature of the item, or a combination of both, could be the determining factor. However, it is inappropriate to make, or leave uncorrected, immaterial departures from this FRS to achieve a particular presentation of an entity's financial position, financial performance or cash flows.

— *Financial Reporting Standard 102 para 2.6*

FRS 102 also uses the term in relation to what items require separate disclosure in the accounts: "An entity shall present separately each material class of similar items. An entity shall present separately items of a dissimilar nature or function unless they are immaterial" (FRS 102 section 3.15).

Tax professionals

The concept of materiality is addressed in Professional Conduct in Relation to Taxation from para 3.8 to 3.10.

This makes clear that the concept of materiality applies only to the accounts, and not to the tax computation based on those accounts.

Other guidance

The Institute of Chartered Accountants in England and Wales has issued guidance in various technical papers, including TECH 03/08 in June 2008 which consolidated and expanded TECH 32/96.

The concept of materiality is not imported into tax law although many tax provisions have specific de minimis limits. In September 1997 the Tax Faculty of the Institute of Chartered Accountants in England and Wales and

Inland Revenue published a joint minute Tax 18/97 which states "the Revenue said that the usefulness generally of accounts was limited by the concept of materiality".

The matter is discussed in the Inspectors' Manual at BIM31045.

For auditing, provisions are given in International Standard on Auditing ISA 320.

material news

Development in a company which is of such significance that it could affect the share price. A listed company is required to disclose such news.

material reconciliation account

A reconciliation of the products manufactured against the quantities of materials received. This can identify conversion factors and wastage.

material reduction

Reduction in value of a domestic property that can justify its immediate moving to a lower council tax band (Local Government Finance Act 1992 s24).

materials requisition

Internal document within an organisation whereby a production department lists the materials it needs from stores.

materials transfer note

Document which records goods transferred between one workplace and another.

material to a surcharge

Term used in Value Added Tax 1994 s59(8) in relation to determining whether a **default surcharge** should be imposed and, if so, for how much.

maternal

Of or pertaining to a mother.

maternity

The period of pregnancy, childbirth and immediately after childbirth. Adoption is not regarded as pregnancy, though employees have some similar **adoption rights**.

A female employee has these rights in respect of maternity:

- **maternity leave**;
- paid leave for **ante-natal care**;
- **statutory maternity pay** if the relevant conditions are met, and

maternity absence in some cases if they are not;

- the right not be unfairly dismissed or to suffer any other

employment detriment because of maternity.

A man has some equivalent **paternity** rights.

Apart from statutory maternity pay, there is no minimum qualifying period for any of these rights.

From 1 December 1994, employers must make an assessment of how employment conditions affect a **new or expectant mother**. There are separate regulations about specific processes, chemicals and other activities from which a pregnant employee must be protected.

maternity allowance

Social security benefit which may be paid to a woman who is not eligible for statutory maternity pay.

It is paid under Social Security Contributions and Benefits Act 1992 s35.

The benefit is not subject to income tax (Income Tax (Earnings And

Pensions) Act 2003 s677).

maternity leave

When a female employee is absent from work because of **maternity**.

The law prescribes three types of maternity leave:

- **compulsory maternity leave**, where a woman may not return to work for two weeks after the birth (four weeks if she works in a factory, under Public Health Act 1936 s205);

- **ordinary maternity leave**, a period of 39 weeks (from 1 April 2007) which usually coincides with the **maternity pay period**;

- **additional maternity leave**, a period which brings the total maternity leave to 52 weeks. The woman is not entitled to any pay or **statutory maternity pay** during additional maternity leave.

Other than pay, a woman is entitled to all other benefits under the contract of employment. So she is entitled to keep a company car and use any social facilities. Her pension payments continue to accrue.

An employer and employee are entitled to agree to provide more maternity leave or for additional maternity pay to be made on whatever terms they wish.

If a woman becomes pregnant again during maternity leave, a fresh set of maternity leave starts even though it overlaps with the existing leave. This appears to be the ruling in the European Court of Justice case *Busch v Klinikum Neudstadt GmbH und Co Betriebs-KG* [2003].

maternity pay

Money paid to a woman who is absent from work during pregnancy, childbirth and the period immediately after childbirth.

There are two types of maternity pay:

- **statutory maternity pay**, which is paid by the employer under rules laid down by the government; and

- **occupational maternity pay**, which may be paid by the employer under his own rules.

maternity pay period (MPP)

Period for which **statutory maternity pay** is payable. This is 39 weeks for births expected from 1 April 2007, and 26 weeks for births expected before this date. The maternity pay period is not necessarily the same as a woman's entitlement to **maternity leave**.

In general, the employee may choose when to start the MPP. This may be no earlier than 11 weeks before the **expected week of childbirth (EWC)** and no later than the day after the actual birth. If a woman contracts a **pregnancy-related illness** in the four weeks before the EWC, the start of that illness automatically starts the MPP.

The MPP ends on the earliest of:

- 39 weeks after it started;
- when she returns to work, other than as an allowed **keeping in touch** day;
- when her employment ends;
- when she is imprisoned or taken into legal custody;
- the Saturday after she dies.

Before 1996, a MPP also ended if a woman went outside Europe. This rule has been repealed, so a MPP may continue wherever she is in the world.

If a woman becomes entitled to a pay rise before the end of her MPP, her SMP must (from 6 April 2005) be recalculated in accordance her new pay. This is known as the **Gillespie ruling**.

A woman remains an employee during her MPP. That means she is entitled to all rights of employment (such as any company car) other than payment of normal salary or wages.

maternity rights

Legal rights of an employed woman in respect of pregnancy and childbirth. They are broadly:

- paid time off work for ante-natal visits
- protection from dismissal
- **maternity leave**
- **maternity pay**
- right to return to work.

mates' rates

Colloquialism for a reduced price offered to a seller's friends.

math

American abbreviation for **mathematics**.

mathematics

Science of magnitude and number, and their relationships.

mathesis

Mental discipline.

maths

English abbreviation for **mathematics**.

Matif

Marché a Terme International de France, French financial futures exchange.

Matilda

In Australian slang, a bushman's swag.

matriculation

Entrance examination, such as for university.

matrilineal

Through the mother's line of ancestry.

Matrimonial Causes Act

Laws passed in 1923 which gave women the same rights as men to sue for divorce. A second Act in 1937 allowed divorce after desertion for three years.

matrimonial home

Home in which a married couple lived together. The term is usually used in the context of divorce settlements.

Where a wife has no proprietary, contractual or statutory right to occupy the property, she may have rights under Matrimonial Homes Act 1983 not to be evicted if in occupation, and to enter and occupy the home otherwise.

matrimonial proceedings

Legal action intended to lead to divorce or separation.

matrix

Tabular presentation of data.

matrix algebra

Form of **algebra** that uses a matrix.

Matrix Churchill	<p>Company which manufactures machine tools.</p> <p>Its name became associated with the scandal which followed an attempt in 1992 to prosecute four directors for breaching export control orders in sales to Iraq. The Ministry of Defence co-operated with the company, only for Customs and Excise to prosecute them. The government issued public interest immunity certificates which prevented much evidence being put to the court, until the judge overturned them. The trial collapsed when defence minister Alan Clark MP said on oath that he had been “economical with the actualité” in answering questions in Parliament. This led to the Scott Report which criticised the government.</p> <p>The Scott Report also found that Customs had trespassed on to the company's premises when it used an ostensible VAT inspection to check on the use of components. This led to the Scott undertaking on surveillance by tax authorities. This undertaking was withdrawn on 6 September 2011 in the light of subsequent legislation.</p>
matter in issue between the defendant and a co-defendant	<p>Term used in Criminal Justice Act 2003 s104 in relation to evidence in criminal proceedings.</p>
matter in issue between the defendant and the prosecution	<p>Term used in Criminal Justice Act 2003 s103 in relation to evidence in criminal proceedings.</p>
matter in question	<p>In relation to Scottish tax appeals, “means the matter to which a review, mediation or appeal relates” (Revenue Scotland and Tax Powers Act 2014 s250(1)).</p>
Matthew, Saint	<p>Follower of Christ who wrote the first book of the New Testament. He was a tax collector and is now the patron saint of accountants and tax collectors.</p>
maturity	<p>Date on which either an investment completes its term or when a liability becomes due for repayment.</p>
maturity date	<p>The date on which a payment becomes due at the end of the term of an endowment policy or a fixed term security or loan.</p>
maturity profile of debt	<p>The timing of loan repayments by a company in the future.</p>
maturity value	<p>The amount payable to the insured at the maturity date of an endowment policy.</p>
Maude, Francis	<p>English Conservative politician (1953-) who was Shadow Chancellor from 2 June 1998 to 1 February 2000.</p>
Maudling, Reginald	<p>English Conservative politician (1917-1979) who was Chancellor of the Exchequer from 13 July 1962 to 16 October 1964 in the governments of Harold Macmillan and Sir Alec Douglas-Home.</p> <p>He reduced purchase tax and interest rates. He temporarily abolished the Schedule A charge for owner-occupiers of homes, and scrapped the duty</p>

on home brewing of beer. His 1963 Budget was nicknamed the “dash for growth”.

Maudling was Shadow Chancellor from 15 October 1964 to 27 July 1965.

maund

Old Indian measure of weight of between 25 to 85 pounds, depending on location.

Maundy money

Gift of money given by the monarch to a number of poor people that corresponds with his or her age. It is distributed at a cathedral on **Maundy Thursday**.

Maundy is the ceremony of washing feet in allusion to Jesus washing the disciples' feet as set out in John 13 in the Bible.

Elizabeth I gave clothing, food and drink. Money replaced clothing in 1725 and food in 1837.

The coins comprises a silver penny, twopence, threepence and fourpence which are specially minted. They are legal tender, though in practice they are usually sold to collectors. Pre-decimal Maundy money is redenominated as decimal pennies.

As a gift, it is not taxable as income.

Maundy Thursday

The Thursday before Easter which commemorates Jesus' last supper with his disciples and his betrayal. It is the day on which the monarch distributes **Maundy money**.

Mauritania

West African country. Its currency is the ouguiya of 5 khoums. The UK has no double taxation treaty.

Mauritius

Country in Indian Ocean. Its currency is the Mauritius rupee of 100 cents. The UK has a double taxation convention of 1981 as amended in 2011, and protocols of 2003 and 2011.

MAWB

Master Air Waybill. This is the bill of lading on a consolidated air shipment.

Mawrth

Welsh: March

maxi-ISA

Term used between 6 April 1999 and 5 April 2008 to distinguish **individual savings accounts** between maxi-ISAs and **mini-ISAs**. An investor was only allowed to invest in one maxi-ISA.

maximax

In statistics, optimistic decision-making criteria that identifies the decision alternative with the best choice of best outcomes.

maximin

In statistics, pessimistic decision-making criteria that identifies the best alternative from the worst outcomes.

maximisation

Finding the highest possible outcome, such as greatest profit.

maxims of equity

Statements that summarise the legal principles to be used in the **mer**branch of law known as **equity**. The exact scope of each statement is not always obvious.

The maxims are:

- equity acts **in personam**
- equity acts on the conscience
- equity aids the vigilant
- equity will not suffer a wrong without a remedy
- equity looks at the intent not at the form
- where the equities are equal, the earlier in time prevails
- he who seeks equity must do equity
- he who comes to equity must come with clean hands
- equity looks on that as done which ought to be done
- equity imputes an intent to fulfil an obligation
- equity will not assist a volunteer.

maximum amount

Capital gains tax

Term used in Taxation of Capital Gains Act 1992 s261C in relation to capital gains and trading losses.

Social security

Term used for universal credit and other means-tested benefits. The maximum amount is how much a claimant receives if he or she has no income or capital. The maximum amount is then reduced by any income or capital the claimant has above a set limit.

maximum authorised mass (MAM)

The weight of a vehicle plus the maximum weight of the load it may carry. MAMs are used for determining categories of driving licence.

maximum available carried-forward loss allowance

For corporation tax on banks and building societies, this term is defined in Corporation Tax Act 2010 s269CH(6).

maximum flow

In statistics, an optimising technique used in mathematical programming.

maximum potential adjustment

In relation to tax disputes "is the adjustment to expenditure, receipts, profits, losses, income or gains that would arise if the **individual risk** to which it relates were conceded in full to HMRC" (HMRC Notice of 20 December 2013).

The adjustment is calculated without consideration of the prospects of success.

maximum rate

The highest amount of **tax credit** that may be paid.

The calculation is as set out in Tax Credits Act 2002 s9 for child tax credit, and in s11 for working tax credit.

The maximum figure may then be reduced by a figure according to how much net income (as defined for the purpose) exceeds an applicable amount.

maximum risk finance at the issue date requirement

In relation to enterprise investment scheme, this is the requirement that maximum investment for a company is £20 million for a **knowledge-intensive**

company and £12 million to other companies (Income Tax Act 2007 s173AA(1) as inserted by Finance (No 2) Act 2015 Sch 5).

46maxwell

Unit of magnetic flux.

Maxwell pension scandal

In 1991 it was discovered that the late entrepreneur Robert Maxwell had raided £460 million of his companies' pension funds to prop up his businesses, many of which failed, meaning that many workers faced not receiving their pension.

This scandal led to a tightening of laws on occupational pension schemes, particularly with regard to who may be trustees. These provisions were contained in Pensions Act 1995.

May

Fifth month of the calendar year and second month of the financial year. It has 31 days.

may

This auxiliary verb connotes discretion. So if tax law says that HMRC "may" do something, that means it can exercise discretion in deciding whether to do so.

In the case *Scofield [2011] TC 1068*, HMRC was criticised for saying that "may" means "must". This was in relation to Finance Act 2004 s66(1) which says HMRC "may" cancel a gross payment registration under the Construction Industry Scheme.

May day

Date of 1 May which celebrates workers. The first Monday of May is now a bank holiday.

May, Theresa

English Conservative politician (1958-) who became prime minister on 13 July 2016.

mayoral functions

In relation to a precept for such functions, the term "means —
(a) the mayor's general functions, and
(b) if the mayor exercises PCC [Police and Crime Commissioner] functions, the mayor's PCC functions" (Cities and Local Government Devolution Act 2016 s5(7)).

Mayor's and City of London Court

County court for the City of London. Before 1971, it referred to a special court formed in 1922 to have civil jurisdiction over all matters in the City.

MB

Megabytes.

MBI

Management buyin.

MBO

Management buyout.

MBS

Mortgage-backed security.

MC

Minimum contribution, to a pension fund.

MCAS	Mortgage Code Arbitration Scheme.
MCD	Miscellaneous Cash Deposit.
McConnell, Jack	Scottish Labour politician (1960-) who was First Minister of Scotland from 22 November 2001 to 16 May 2007.
McDonnell, John	English born Labour politician (1953-) who became Shadow Chancellor of the Exchequer on 13 September 2015.
McGuinness, Martin	Irish Sinn Féin politician (1950-2017) who was Deputy First Minister of Northern Ireland from 8 May 2007 until shortly before his death.
McKenna, Reginald	English politician (1863-1943) who was Chancellor of the Exchequer from 25 May 1915 to 10 December 1916 under the coalition government of David Lloyd George. He introduced a 33.3% levy on luxury goods.
McKenzie friend	Someone who is not legally trained but who the court is prepared to allow to sit and help a party in a case. The name comes from the case <i>McKenzie v McKenzie</i> [1971].
McKenzie man	Another name for a McKenzie friend .
McLeish, Henry	Scottish Labour politician (1948-) who was First Minister of Scotland from 26 October 2000 to 8 November 2001.
McMafia law	Nickname given to unexplained wealth orders .
McNaghten rules	Old rules of English law which established when mental incapacity excuses criminal conduct. The name comes from the case <i>R v McNaghten</i> [1843]. The rules have now been replaced by statutory provisions.
McVey, Esther	English Conservative politician (1967-) who became secretary of state for work and pensions on 8 January 2018.
MCOB	Mortgages and Home Finance: Conduct of Business sourcebook, published by the Financial Services Authority.
MCR	Minimum capital requirement.
MCSI	Member of the Chartered Institute for Securities and Investment.
MCT	Mainstream corporation tax.
MD	Managing director.
MDB	Multilateral development bank.
MDD	Managing Deliberate Defaulters.

MDL	ISO code for Moldovan leu.
MDR	Misuse of Drugs Regulations 2001.
m/e	Month ending.
mea culpa	Latin: by my own fault, an acknowledgment by someone of their mistake.
meal-ticket	Voucher for a meal. By extension, the term has come to mean a provider for a person's essentials of life.
meal voucher	<p>"Non-cash voucher which:</p> <ul style="list-style-type: none">(a) can only be used to obtain meals,(b) is not transferable, and(c) is not of the kind in respect of which no liability arises under section 266(3)(e) (subsidised meals)" (Income Tax (Earnings And Pensions) Act 2003 s89(3)). <p>The limit was 15p a day from 1948 to abolition of the tax-free allowance from 6 April 2013.</p>
meals	<p>There is generally no tax charge when an employer provides subsidised meals to workers in a canteen (Income Tax (Earnings And Pensions) Act 2003 s317). This includes free or subsidised tea and coffee (ibid s317(6)).</p>
mean	<p>(1) Average of numbers. It has two forms: arithmetic mean and geometric mean.</p> <p>The arithmetic mean adds the numbers and divides by the quantity of them. The geometric mean multiplies the numbers and takes the appropriate root. The latter is used for calculating stock indices, among other applications.</p> <p>The arithmetic mean of the numbers 2, 4 and 8 is calculated as $(2 \times 4 \times 8) \div 3 = 5.33$</p> <p>The geometric mean is $\sqrt[3]{2 \times 4 \times 8} = 4.0$.</p> <p>(2) Ungenerous.</p>
mean absolute deviation (MAD)	The average difference between a set of numbers and their mean .
mean forecast error	In statistics, a method for analysing differences between predictions and outturns.
mean hourly output rate	<p>Quantity of units which a worker can reasonably produce in one hour when paid on the basis of output work. This is when the worker is paid for a unit of production (such as items assembled or envelopes filled with literature) rather than per hour.</p> <p>A worker paid on an output work basis is entitled to the national minimum wage (NMW) determined either by the number of hours worked or under a system of rated output work. This requires the worker to be paid 120% of the NMW for each unit of production.</p>

meaningful vote	Vote that Parliament has on the final withdrawal agreement negotiated between the UK and EU. Provisions are contained in European Union (Withdrawal) Act 2018 s13.
mean reversion	In statistics, a tendency of subsequent observations to be closer to the mean average than the current observation.
means of exchange	One of the two traditional functions of money. The other is as a store of value . The use of money avoids the need for coincidence of supply in a barter transaction. The prerequisite is that the parties to a transaction both accept the form of money.
means of transport	In the VAT expression new means of transport , means: <ul style="list-style-type: none">• a ship exceeding 7.5 metres in length• an aircraft with a take-off weight that exceeds 1550 kilograms• a motorized land vehicle that has an engine with a displacement or cylinder capacity of more than 48 cubic centimetres, or• an electric land vehicle propelled using more than 7.2 kilowatts. (Value Added Tax 1994 s95(1)).
means-testing	Checking whether a person's income and wealth is sufficiently low to qualify for social security or other benefit.
Mears, Patrick	English accountant who became first chairman of the General Anti-Abuse Rule Advisory Panel on 15 April 2013.
mease	Old measure of herring, between 500 and 630 fish.
measure	Law enacted by General Synod of the Church of England.
measurement	In accounting, "the process of determining the monetary amounts at which an entity measures assets, liabilities, income and expenses in its financial statements. Measurement involves the selection of a basis of measurement..." (FRS 102 glossary and section 2.33). These are explained under monetary bases .
measurement bases	In accounting, the means of measurement by which amounts are determined for financial statements. "Two common measurement bases are historical cost and fair value " (FRS 102 section 2.34). A previous standard defined them as "those monetary attributes of the elements of financial statements — assets, liabilities, gains, losses and changes to shareholders' funds — that are reflected in financial statements" (FRS 18 para 6).
measure of damages	Principle used to determine how much damages to award in a court case.
meat	This is generally zero-rated when sold as food, and standard-rated when sold as catering, that is cooked and ready to eat.

Drink made from meat is specifically zero-rated for VAT.

Under Value Added Tax 1994 Sch 8 Group 1, food is generally zero-rated. Excepted Item 3 standard-rates beverages. Items Overriding The Exception 6 reverses the exception, thus reinstating the zero-rating.

Further guidance is given in VAT Notice 701/14.

Meat and Livestock Commission

Trade organisation for established by the government under the Agriculture Act 1967 to promote the sale of red meat.

It is a non-departmental public body and is partly funded by a **Meat and Livestock Commission Levy** on every slaughtered carcass and from grants from the UK Government and the EU.

Since 1 April 2008, it has been part of the Agriculture and Horticulture Development Board.

Meat and Livestock Commission Levy

Charge for services provided to an abattoir.

The element which relates to the general levy is a supply to the abattoir on which VAT is charged which may be reclaimed as input tax.

mechanical bank

Form of **piggy bank** that includes a mechanical action designed to appeal to children and others who would not otherwise save. A piggy bank without such an action is known as a still bank.

mechanical effect

In relationship to tax, this measures the consequence of a change in tax policy without considering behavioural effects or indirect effects.

If the rate of tax (T%) produces R amount of revenue, the mechanical effect determines that (for example) $2xT\%$ will produce $2xR$ amount of revenue.

This figure is then adjusted for behavioural effects, such as people finding ways to avoid the higher tax, and for indirect effects, such as the impact of higher taxes on income from lower profits.

medal

Where a medal has been awarded for valour or gallant conduct, the disposal of such a decoration by the person to whom it was awarded is not taxable as a capital gain (Taxation of Capital Gains Act 1992 s268). The sale by a subsequent owner is not covered by this exemption and so may be taxable.

mēden agan

Greek: [let there be] nothing in excess.

Medi

Welsh: September.

medial

Pertaining to an average.

median

The middle number in a list of numbers. It is one of the three forms of **average** (the others are mean and mode).

It is widely used as an average for earnings where an arithmetic mean could be skewed by a few very high figures.

- mediation** Process whereby two people try to resolve a difference themselves with the assistance of a third person, the mediator. A mediator does not judge the issue himself (which is **arbitration**) but assists the parties to work out their solution.
For tax tribunals, the provisions are set out in Tribunals, Courts and Enforcement Act 2007s24.
- medical certificate** Document from a doctor about a person's health.
- medical check-up** "Means a physical examination of the employee by a health professional for (and only for) determining the employee's state of health" (Income Tax (Earnings And Pensions) Act 2003 s320B(3)).
Such a check-up is usually exempt from tax.
- medical courier charity** Charity whose main purpose is "to provide services for the transportation of items intended for use for medical purposes. including in particular —
(a) blood
(b) medicines and other medical supplies
(c) items relating to people who are undergoing medical treatment"
(Value Added Tax 1994 s33D(10)).
Ibid s11 extends the scope to a body whose main purpose is to support, develop and promote the activities of a medical courier charity.
From 1 April 2015, such a charity may claim VAT input tax.
- medical equipment** For VAT on **charity funded equipment**, "is equipment... that has features or characteristics that identify it as having been designed for a medical (including dental) purpose or function, such as the diagnosis or treatment of patients.
"This covers a wide range of goods, from simple items like bandages and tongue depressors, to complex machinery such as x-ray machines and scanners.
"General use items to equip a medical facility, such as a television purchase for use in a hospital ward, are not medical equipment"
(VAT leaflet 701/6).
- medical evidence** Evidence produced by an employee to justify absence due to sickness. For statutory sick pay, an employee must produce evidence of sickness such as a doctor's certificate. An employer may agree that an employee can self-certificate sickness up to seven days. From SC2 is provided for this purpose.
- medical expenses** Generally these are not tax-deductible by an individual. A leading case is *Norman v Golder [1944] 26TC293* which concerned treatment to a shorthand writer's hand. The case is discussed in the Inspectors' Manual at BIM37940.
The principle extends to **surgery** as held in the case *Prince v Mapp [1969] 46TC169* which related to a guitarist's finger and is discussed in the Inspectors' Manual at BIM37945.
- medical insurance for the elderly**
From 6 April 1990 to 2 July 1997, income tax relief was given on medical insurance premiums for those aged 60 or over. From 6 April 1994, relief was

restricted to the basic rate of tax.

medical or veterinary diagnosis or treatment

For VAT on **charity funded equipment**, "is the diagnosis and treatment of a physical or mental illness or injury by a medical or paramedical practitioner or a veterinary surgeon"
(VAT notice 701/6).

medical or veterinary research

For VAT on **charity funded equipment**, this means "original research into human or animal disease and injury" (VAT notice 701/6).

medical or veterinary training For VAT on **charity funded equipment**, "covers the training of doctors, nurses, surgeons (including dental and veterinary surgeons), and other professionals involved in medical or veterinary diagnosis or treatment. The overall programme of training should include the physical application by the students of theoretical knowledge. The teaching of subjects like biology and zoology, where the trainee has no practical medical or veterinary involvement with patients, is not medical or veterinary training for the purposes of this VAT relief" (VAT notice 701/6).

medical, personal or nursing care

For VAT on **charity funded equipment**, this "includes medical treatment and the sort of care that a nurse might carry out or supervise — such as washing or feeding a patient, helping a patient out of bed, and administering drugs.
"It does not include assistance with general domestic tasks such as cooking, cleaning or shopping" (VAT notice 701/6).

medical report

"In the case of an individual, means a report relating to the physical or mental health of the individual prepared by a medical practitioner who is or has been responsible for the clinical care of the individual" (Access to Medical Records Act 1988 s2(1A)).

Medical Research Council

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

medical supplies

A company that makes a gift of such supplies may be able to claim tax relief under Corporation Tax Act 2009 s107.

medical treatment

For the purposes of **recommended medical treatment** that is a tax-free benefit when provided by an employer to an employee, the term "means all procedures for diagnosing or treating any physical or mental illness, infirmity or defect" (Income Tax (Earnings and Pensions) Act 2003 s320C(7)).

When provided to an employee overseas, this may be exempt from tax under Income Tax (Earnings And Pensions) Act 2003 s325.

An employer may also provide, as a tax-free benefit, a medical check-up once a year.

Where an employer provides an eye test and any corrective glasses or contact lenses for computer users, the test and corrective items are also tax-

free.

Medicare

Scheme of medical services in the USA.

medicinal product

For VAT, "a substance presented as a **medicine**, or an ingredient for a medicine, capable of being administered to people or animals for a **medicinal purpose**" (VAT leaflet 701/1). Such a product may be zero-rated for VAT.

medicinal purpose

For VAT purposes, this "means:

- treating or preventing disease;
- diagnosing disease, or ascertaining the existence or degree of a physiological condition;
- contraception;
- inducing anaesthesia;
- otherwise preventing or interfering with the normal operation of a physiological function, whether permanently or temporarily, and whether by terminating, reducing or postponing, or increasing or accelerating the operation of that function, or in any other way" (VAT leaflet 701/1).

The existence of a medicinal purpose, can establish that a **substance** is a **medicinal product** and may therefore qualify for zero-rating for VAT.

medicine

For VAT, the tax treatment depends on how the medicine is supplied.

For Customs control, details are set out in Customs notice 4. There are no restrictions on medicines sold without prescription. For prescription drugs, imports are restricted to 15 days' supply unless a Home Office licence permits a larger quantity.

medium-dated

Description of government securities that mature in between 5 and 15 years.

medium of exchange

Currency, assets, tokens or anything else which is used for the purposes of allowing trade. By far, the commonest medium of exchange is **currency**.

medium-sized company

Company which is neither a large company nor a small company.

The definition is contained in Companies Act 2006 s465.

Basically, a company is medium-sized if it meets two out of three conditions for both the current financial year and the previous year.

The three conditions currently are:

- annual turnover up to £22.8 million;
- balance sheet total up to £11.4 million;
- no more than 250 employees.

Lower financial limits have applied in earlier years. The odd amounts arise because they come from an EU directive expressed in euros.

Certain companies are excluded from this scope even if they meet these conditions.

medium term

Between short-term and long-term, as defined for the context.

medium term bond

Government bond which matures after 5 to 15 years. (Sometimes different maturity limits apply.)

medium term note (MTN)	Unsecured note issued in a eurocurrency with a maturity of between three and six years.
mediums	Government stocks which mature in 7 to 15 years' time. (Some sources describe mediums as having maturity dates of between 2 and 10 years.)
medium-sized company	<p>A company that meets two of the following criteria:</p> <ul style="list-style-type: none">• annual turnover not more than £25.9 million• balance sheet total of not more than £12.9 million• no more than 250 employees. <p>These limits apply for accounting periods beginning after 5 April 2008. The previous turnover and balance sheet limits were £22.8 million and £11.4 million respectively. These definitions are found in Companies Act 2006 s465(3).</p> <p>The odd amounts are because the limits are set by the European Union in euros.</p>
medium-sized vehicle	<p>Vehicle with a weight between 3,500 and 7,500 kilograms. This is above an ordinary car but below a large goods vehicle.</p> <p>This is category C1 on the driving licence. A driver must be 18 to obtain a licence.</p>
meed	Archaic word that means wages or a reward.
meeting	If HMRC requests a meeting with a taxpayer or adviser, the tax adviser should establish the nature of the meeting (Professional Conduct in Relation to Taxation para 11.4).
Meg	Megone's Company Cases, series of law reports published from 1888 to 1890.
mega-	Prefix used in metric units. It means 10 ⁶ or one million. It is also used colloquially as a prefix to mean very big, as in megastore.
Megarry, Helen	Revenue Adjudicator from April 2016.
MEGS	Music Export Growth Scheme.
Mehefin	Welsh: June.
Mehrweststeuer (Mwst)	German: value added tax, as used in Austria and Germany.
me judice	Latin: in my opinion.
melior est 54conditio possidentis et rei quam actoris	Latin: the position of the possessor is the better; and that of the defendant is better than that of the plaintiff [now called the claimant].
meltith	Scottish term for the yield from one cow at one milking.

member

Company

Person who owns a share in a company or who belongs to a club or association.

Pension scheme

The term is defined in Finance Act 2004 s151.

European Union

"in the expression 'member state', refers to membership of the EU" (European Communities Act 1972 Sch 1 Part II).

member bank

In the USA, a bank which is part of the Federal Reserve system.

member firm

Stockbroking firm which is a member of a stock exchange.

member-nominated trustee

Trustee of an occupational pension scheme nominated by its members (Pensions Act 2004 s241). At least one third of the trustees must be member-nominated.

member of a company

Person who is a shareholder in a company limited by shares or a guarantor in a company limited by guarantee.

A person becomes a member either by being an original subscriber or who subsequently becomes a member (Companies Act 2006 s112(2)).

member of another undertaking

"For the purposes of section 258 [of Companies Act 1985] an undertaking shall be treated as a member of another undertaking:

(i) if any of its subsidiary undertakings is a member of that undertaking; or

(ii) if any shares in that other undertaking are held by a person acting on behalf of the **parent undertaking** or any of its **subsidiary undertakings**.

"Any shares held, or powers exercisable, by a subsidiary undertaking shall be treated as held or exercisable by its parent undertaking" (FRS 2 para 14, following definition of **parent undertaking**).

Member of Parliament (MP)

Person who is elected to serve as a member of the House of Commons.

Income Tax (Earnings And Pensions) Act 2003 provides special tax exemptions for their:

- termination payments : s291
- accommodation expenses: s292 (limited by s360)
- overnight expenses: s293
- UK travel and subsistence expenses: s293A
- European travel expenses: s294
- transport for ministers: s295.

The number of MPs elected for a party determines whether that party qualifies for inheritance tax relief on donations.

Provisions for capital allowances are given in Capital Allowances Act 2001 s34.

Member of the Legislative Assembly (MLA)

Term to describe a member of the devolved **Northern Ireland Assembly**.

member's drawdown pension fund

Pension fund from which a member may draw down funds instead of annuitizing the fund.

The tax provisions are given in Finance Act 2004 Sch 28 as amended by Finance Act 2011 Sch 16 and Finance Act 2014 s41.

membership audit certificate (MAC)

Certificate that a trade union must produce to confirm that it has complied with its **section 24 duty** to maintain a proper register of members.

member's unsecured pension fund

Term that is now replaced by **member's drawdown pension fund**.

members' necessary overnight expenses

Term used in Income Tax (Earnings And Pensions) Act 2003 s293 in relation to tax-deductible expenses of **Members of Parliament**.

members of a group of companies

For the purposes of loss relief within a group or consortium is where one company is a 75% subsidiary of the other, or where both are 75% subsidiaries of a third company (Income and Corporation Taxes Act 1988 s413(3)).

Member's pensionable salary

Term used in Income and Corporation Taxes Act 1988 s629 in relation to the pension of a government minister.

member state

A country which is part of the **European Union (EU)**.

members' statement

Statement issued by members of a company in connection with a resolution they are seeking. Such statements are governed by Companies Act 2006 ss314-317.

members' voluntary winding-up

Winding up of a solvent company by its members.

memento mori

Latin: remember you must die.

memo

Abbreviation of **memorandum**.

memorandum account

Any form of financial record outside the double-entry bookkeeping. A **ledger** is a memorandum account (other than the nominal ledger).

The sales ledger and bought ledger are examples of memorandum accounts. Entries to a memorandum account do not affect the overall position as recorded in the nominal ledger. However the memorandum account balance should be reconciled to agree with the relevant figure in the nominal ledger.

memorandum in writing Provision that related to property transactions before Law of Property (Miscellaneous Provisions) Act 1989 came into effect. This now requires both parties to sign a contract in a property transaction.

memorandum of association *Definition*

“A memorandum of association is a memorandum stating that the subscribers:

(a) wish to form a company under this Act, and

(b) agree to become members of the company and, in the case of a company that is to have a share capital, to take at least one share each” (Companies Act 2006 s8(1).

In practice, a modern memorandum only requires a list of subscribing members. An older memorandum is still binding on the company.

Contents

The memorandum or accompanying documents must state:

- the company's proposed name;
- whether the company's registered office is in England or Wales or Scotland or Northern Ireland;
- whether the liability of members is to be limited, and, if so, whether by shares or guarantee;
- whether the company is to be a **public company** or a **private company**;
- the name and address of any agent acting for the subscribers;
- (for companies limited by shares) a statement of the capital and details of **initial shareholdings**;
- (for companies limited by guarantee) a **statement of guarantee**;
- proposed address of registered office;
- **statement of proposed officers**;
- copy of the proposed **articles of association**, unless the **relevant model articles** are to be adopted; and
- **statement of compliance**.

Value added tax

There was no separate supply of a zero-rated book when a company formation business provided bound copies of the memorandum and articles of association. This was part of a single standard-rated formation service (*JP Company Registrations Ltd [1986] VTD 2249*).

memorandum of understanding (MOU)

An agreement between parties defining the roles and responsibilities of each in relation to the other or others. Such an agreement is not legally enforceable.

memorandum of wishes

A letter or other document from a testator to his or her executors giving further details of how he or she wishes their property to devolve. It is a document that complements the will but cannot override it.

memorandum rule For stamp duty, the rule that a memorandum evidencing an oral contract may need to be stamped as if it were the original document.

memorial

Value added tax

For VAT, a memorial is generally standard-rated. It is not within the scope of the exemption for burial and cremation. Further details are given in VAT notice 701/32.

Income tax

The income tax provisions are given in Income Tax (Trading and Other Income) Act 2005 from s172ZA, with effect from 1 March 2012.

memorial book

A memorial book bought by a church to record the deaths of parishioners was not zero-rated as a book because its pages were blank when supplied (*Ormesby St Michael Parochial Church Council [2001] VTD 17375*).

memory

Human brain

Ability to store information and experiences and recall them, such as for evidence.

Psychological tests have determined these conclusions on memory:

- someone must see something for a minimum of between one fifth and half a second to remember it,
- short-term memory allows for about 4 or 5 items to be remembered at a time,
- long-term memory uses a different part of the brain, and has huge storage capacity, much of which is not used,
- a person who organises data remembers it better,
- information that appears significant to the person at the time is remembered much better than more recent insignificant events.

Computers

Ability to store data.

Typically a computer has two types:

- random access memory (RAM) that uses a chip and handles data currently being used, and
- secondary storage, such as on disks, optical disks and the computer's own hard disk. Access to and from secondary storage is much slower, but the capacity is far greater.

Storage is measured in kilobytes, megabytes, gigabytes, and (now) terabytes. Each measure is 1,000 times the capacity of the previous one in the list.

menial

Description of work of a servile or humiliating nature.

mens rea

Latin: guilty mind. It is one of the two conditions that must usually be proved to obtain a criminal conviction. The other is **actus reus**.

mental capacity

General

Ability to make decisions for oneself. This is now governed by Mental Capacity

Act 2005 which took effect in October 2007. It generally replaced the Mental Health Act 1983. A person who lacks mental capacity is called a **patient**.

The law assumes that everyone has mental capacity until the contrary is established (Mental Capacity Act 2005 s1(1)). A person lacks capacity "if at the material time he is unable to make a decision for himself in relation to the matter because of an impairment of, or a disturbance in the functioning of, the mind or brain" (ibid s2(1)).

Trusteeship

The 2005 allowed a person, a **trustee**, to act for a patient in making decisions on health and welfare, in addition to finance (which was the only area allowed for in the 1983 Act). The 2005 also provides a checklist and is supported by a Code of Practice.

The trustee is usually a close relation or close friend. If no-one is able to act in such a capacity, the **Office of the Public Guardian** may provide one. This may require an application to the **Court of Protection**.

Contracts

In general, the law upholds agreements made by patients to the extent that the patient can understand them. It is possible for a patient to be capable of buying food, but not of entering into a mortgage.

A decision made by a person while they have capacity remains valid when capacity is lost, though a trustee may vary such a decision if it seems to be in the patient's interests to do so.

Tax administration

The trustee will usually deal with the patient's tax affairs, and may sign the tax return in such capacity.

mental disorder

"Any disorder or disability of the mind" (Mental Health Act 2007 s1(2)).

Dependence on drugs or alcohol is not considered a disorder of the mind (Mental Health Act 1983 s1(3)).

mental health care

"Psychiatric services, or other services provided for the purpose of preventing, diagnosing or treating illness, the arrangements for which are the primary responsibility of a consultant psychiatrist" (Care Act 2014 Sch 3 para 7(8)).

mental health treatment requirement

Requirement that a person subject to certain types of order of a court must under treatment and comply with directions of a registered medical practitioner or chartered psychologist (Criminal Justice Act 2003 s207).

mental impairment

Term used in Mental Health Act 1983

This term is dropped under Mental Health Act 2007 s1(3)(a).

Although a person has sufficient mental impairment under the Act, that person does not necessarily come within the scope of Disability Discrimination Act 2005 (*McDougall v Richmond Adult Community College [2007]*).

The term is defined differently under Disability Discrimination Act 1995 s68 and Sch 1 para 1(1) as "an impairment resulting from or consisting of a

mental illness only if the illness is a clinically well-recognised illness”.

mental incapacity

Lack of **mental capacity** as shown by an inability of a person to manage their own affairs because of some mental illness or injury or similar.

A taxpayer who lacks mental or physical capacity may appoint someone to administer their tax affairs. Some forms of mental illness can mean that a person is incapable of appointing someone. This situation was considered in the case *The appellant [2016] TC 5564*.

mentally disabled person

In relation to capital gains tax on settled property, “means a person who by reason of mental disorder within the Mental Health Act 1983 is incapable of administering his property or managing his affairs” (Taxation of Capital Gains Act 1992 Sch 1 pars 1(6)).

menu

List of items offered at a restaurant. By extension, it applies to any list from which a user may make a selection. The term is used in computing for a list of functions that can be accessed in a program.

menu costs

In economics, costs attached to adjusting price, such as restaurant having to reprint its menu.

meo periculo

Latin: at my peril.

Term means that a person does something at his own risk.

MEP

Member of the European Parliament.

Mer

Merivale's Reports, law reports of Chancery from 1815 to 1817.

mercantile

Pertaining to merchants or trade.

mercantile agent

“A mercantile agent having in the customary course of his business as such agent authority either to sell goods or to consign goods for the purpose of sale, or to buy goods, or to raise money on the security of goods” (Factors Act 1889 s1(1)).

mercantile law

Law which relates to commerce.

mercantile marine

The commercial ships that belong to a country.

mercantilism

Term for various political policies since 16th century, all of them based on the relationship between politics and trade.

Today the term usually means Adam Smith's teaching that the source of wealth is labour and not trade.

mercenary

Excessively motivated by money. The term is also used as a noun to mean someone willing to fight for money rather than for a cause or loyalty.

merchandise in baggage

Goods commercially imported by being carried in a person's luggage. Details of the Customs implications are given in Customs notice 6.

merchandise inventory	American term for stock of finished goods.
merchant	(1) Person who buys and sells for business reasons. (2) In banking, a business which accepts credit cards.
merchant bank	Bank which deals with companies rather than individuals. They particularly deal with funding new issues of shares.
mere equity	Right relating to property that is lesser than an equitable right or legal right . It only affects parties to a transaction. An example is the right to amend a document.
merge	Come together to make one.
merger	<p>Companies</p> <p>Process of combining two businesses into one.</p> <p>For public companies, there are special legal provisions in Companies Act 2006 from s904.</p> <p>There is a code on mergers and acquisitions, the latest version of which was introduced from 11 June 2018.</p>

Current accounting standard

“An entity combination that results in the creation of a new reporting entity formed from the combining parties, in which the controlling parties of the combined entities come together in a partnership for the mutual sharing of risks and benefits of the new formly entity and in which no party to the combination in sunstance obtains control over any other, or is otherwise seen to be dominant.

“All of the following criteria must be met for an entity combination to meet the definition of a merger:

(a) no party to the combination is portrayed as either acquired or 61acquiree, either by its own board or management or by that of another party to the combination;

(b) there is no significant change to the classes of beneficiaries of the combining entities or the purpose of the benefits provided as a result of the combination; and

(c) all parties to the combination, as represented by the members of the board, participate in establishing the management structure of the combined entity and in selecting the management personnel, and such decisions are made on the basis of a consensus between the parties to the combination rather than purely by exercise of voting rights”

(FRS 102 glossary).

Previous accounting standard

“A business combination that results in the creation of a new reporting entity formed from the combining parties, in which the shareholders of the combining entities come together in a partnership for the mutual sharing of the risks and benefits of the combined entity, and in which no party to the combination in substance obtains control over any other, or is otherwise seen

to be dominant, whether by virtue of the proportion of its shareholders' rights in the combined entity, the influence of its directors or otherwise" (FRS 6 para 2).

Leases

Extinguishment of a lesser right over land when it comes into the same ownership as a greater one, such as when a freeholder acquires a leasehold interest.

merger arbitrage

Investment prompted by mergers, take-overs and similar events.

merger by absorption

In company law, when the undertaking, property and liabilities of one company are taken into another public company (Companies Act 2006 s904(1)(a)).

merger by formation of a new company

In company law, when the undertaking, property and liabilities of two or more public companies are transferred into a new company, which need not be a public company (Companies Act 2006 s904(1)(b)).

merger relief

Relief from company law rules on **share premium account** on a merger, providing that one company acquires at least 90% of the shares of the other. These provisions are set out in Companies Act 2006 s612 onwards.

Mergers Directive

EC Council Directive 90/434/EEC.

Its tax provisions are contained in Finance Act 2007 s110.

Provisions relating to capital gains tax are given in Taxation of Capital Gains Act 1992 ss140E-140L.

merging companies

Company law

In company law, for a **merger by absorption**, means the transferor and transferee companies.

For a **merger by formation of a new company**, the term means the transferor companies (Companies Act 2006 s904(2)).

Venture capital trusts

For the purposes of venture capital trusts, this is defined in Income Tax Act 2007 s323(1). This states that "there is a merger of two or more companies (the merging companies) if —

(a) shares in one of the merging companies ("company A") are issued to members of the other merging company or companies, and

(b) the shares issued to members of the other merging company or, in the case of each of the other merging companies, the shares issued to members of that other company, are issued —

(i) in exchange for their shares in that other company, or

(ii) by way of consideration for a transfer to company A of the

whole or part of the business of that other company".

Section 323(2) further states that "there is also a merger of two or more

companies (“the merging companies”) if —
(a) shares in a company (“company B”) that is not one of the merging companies are issued to members of the merging companies, and
(b) in the case of each of the merging companies, the shares issued to members of that company are issued —
(i) in exchange for shares in that company, or
(ii) by way of consideration for a transfer to company B of the whole or part of the business of that company”.

merit award	Award added to pay which an employee has earned by merit.
meritocracy	Government by persons because of their position in society.
MERV	Minimum Efficiency Reporting Value.
Mervardeskatt (MOMS)	Swedish: value added tax.
mesaj	Rarely-encountered form of bond whose terms have been arranged to make it appear exciting and capable of significant rescue from desperate situations.
Meshar order	“An order by the courts that a spouse holding an interest in the matrimonial home should hold it on trust for a limited period, for example until remarriage of the other spouse or death of the other spouse or the 18 th birthday of the youngest child of the marriage and entitling the other spouse to occupy the home for the trust period” (Trust manual 65365). Where the home is the main residence, the usual main residence relief is available for capital gains tax. The trust will usually be a discretionary trust which may trigger inheritance tax charges. For this reason, divorce settlements often seek to avoid Meshar orders.
mesne profits	Money that a landlord may claim from a tenant who remains in occupation after the tenancy has ended.
message unit	American term for a unit used to charge for long-distance telephone calls.
mess allowance	Such a payment to a member of the armed forces may be exempt from tax under Income Tax (Earnings And Pensions) Act 2003 s297.
Messrs	Abbreviation of Messieurs. This abbreviation was used as the plural of Mister, and was once commonly used to identify family businesses, as in Messrs Smith And Sons.
message	House with associated garden, outbuildings and orchard.
metadata	General information about a document or other collection of data. Under Freedom of Information Act 2000, all information provided must include its metadata. This includes its author, version number, reference number, security details and instructions for disposal.

metallic thread	Security feature in Bank of England notes. The thread looks like silver dashes normally but becomes a solid line when held up to the light. It is sometimes called Stardust.
métayer	Farmer who pays the rent with crops rather than in cash.
mete	Measure; apportion.
meter	Machine used to measure, such as used for water, gas or electricity. The readings may be used to calculate bills for usage.
methodological individualism	In economics, the requirement that the causes of social phenomena explain how they result from the motivations and actions of individuals.
Methuselah	Champagne bottle with a capacity of eight standard bottles.
methylated spirits	Name for liquid which largely comprises ethyl alcohol but which is made unsafe to drink and therefore avoids the excise duty for alcoholic liquor . Methylated spirits contain methyl alcohol , which is a poison rather than an intoxicant. It may also contain purple dye. Customs had three classes of methylated spirits: <ul style="list-style-type: none">• Mineralised Methylated Spirits (MMS);• Industrial Methylated Spirits (IMS);• Denatured Ethanol B (DEB). They are now all classed as denatured alcohol. From 1 July 2005, the general Customs term is denatured alcohol . The relevant law is Alcoholic Liquor Duties Act 1979 s75. It is an offence to use such spirits as a beverage or medicine (ibid s80). In Scotland, it is an offence to sell the spirit to a person under 14 (Methylated Spirits (Sale by Retail) (Scotland) Act 1937).
methylation	The manufacture of methylated spirits.
64imila	One's profession or calling.
metre	Metric unit of length. It was originally denominated as one ten millionth of the distance between pole and equator. One yard equals 0.9144 metre.
metric carat	Unit of weight equal to one fifth of a gram.
metric hundredweight	50 kilograms. This is a little under the imperial hundredweight which equates to 50.804 kilograms.
metric system	System of units or length, mass etc that use the base ten, as against old imperial system that used historic measures of other multiples. The exception is time, which uses traditional measures of 60 seconds to a minute, 24 hours to a day etc. The main metric units are the metre for length, litre for capacity and gram for weight. Other units include the ampere for electric current, Kelvin

for temperature, candela for luminosity, radian for plane angle and steradian for solid angles.

The units are sometimes prefixed to indicate multiples and submultiples, such as "kilometre" for 1000 metres. The full list is:

Prefix	Abbreviation	Multiple
yocto	y	10 ⁻²⁴
zepto	z	10 ⁻²¹
atto	a	10 ⁻¹⁸
femto	f	10 ⁻¹⁵
pico	p	10 ⁻¹² (one trillionth)
nano	n	10 ⁻⁹ (one billionth)
micro	μ (Greek letter)	10 ⁻⁶ (one millionth)
milli	m	10 ⁻³ (one thousandth)
centi	c	10 ⁻² (one hundredth)
deci	d	10 ⁻¹ (one tenth)
deca	da (or dk)	10 ¹ (ten)
hecto	h	10 ² (one hundred)
kilo	k	10 ³ (one thousand)
mega	M	10 ⁶ (one million)
giga	G	10 ⁹ (one billion)
tera	T	10 ¹² (one trillion)
peta	P	10 ¹⁵
exa	E	10 ¹⁸
zetta	Z	10 ²¹
yotta	Y	10 ²⁴ .

Under Measurement Regulations SI 1995 No 1804, almost all measures must be expressed in metric units with some exceptions for pints and miles.

It was intended to make it illegal to quote imperial units, even for comparison purposes, from 1 January 2010, but that law was repealed in 2007.

metronymic

Part of a person's name that is derived from the name of their mother or remoter female ancestor.

meum et tuum

Latin: mine and thine.

Mexico

South American state. Its currency is the peso of 100 centavos. The UK has a double taxation convention of 1994 and a protocol of 2011.

mezzanine

Floor midway between two storeys. A free-standing mezzanine floor has been held to be plant and machinery for the purposes of capital allowances.

mezzanine finance

Finance provided to a company after it has started up.

mezzanine level

Stage of a company's development before it **goes public**.

MFET Ltd	Company set up by Department of Health to make payments to individuals who have contracted AIDS through contaminated blood or blood products used in the NHS. The name comes from the Macfarlane and Eileen Trusts that formerly provided this funding. Such payments are disregarded when determining payments of means-tested social security benefits. They are also exempt from income tax as set out in SI 2010 No 673.
MFI	Money flow index.
MFR	Minimum funding retirement.
MG	Amount made good in relation to accommodation provided to an employee. The abbreviation is used in Income Tax (Earnings and Pensions) Act 2003 s103A(8) as inserted by Finance Act 2017 Sch 2.
MGA	(1) ISO code for Madagascan ariary. (2) Abbreviation: ariary, currency of Madagascar.
MGD	Prefix for HMRC's tax manual on machine games duty.
MGO	Marked Gas Oil
MGP	Manufactured gas plant.
mho	Old term for unit of electric conductance, now more commonly known as siemens. The word is ohm spelled backwards.
MHRA	Medicines and Healthcare products Regulatory Agency.
MI	Myocardial infarction. Common abbreviation for sick notes (HMRC leaflet E14).
MIA	Missing in action
MIB	(1) Merchandise in Baggage. (2) Motor Insurers Bureau.
Mibtel	All-share index on the Italian stock exchange.
Micawber	Incurable optimist, from Mr Micawber in <i>David Copperfield</i> by Charles Dickens. He was always waiting for "something to turn up".
Micawberish	Having the nature of Mr Micawber.
MICEX	Stock exchange, recognised by HMRC from 5 January 2011.
Michaelmas	English quarter day of 29 September. It is the Western Church's festival of the feast of St Michael and All Angels.

Michaelmas is also used for the **law term** from September to December.

micro-	Prefix used in metric units. It means 10^{-6} , or one millionth.
microbeads	Very small pieces of plastic used in such products as face scrubs and toothpaste. Because of the environmental damage they cause, they are banned from manufacture from 9 January 2018. Products containing microbeads are banned from sale from 19 June 2018.
micro business	“Means an undertaking which meets the following conditions... — (a) it has a headcount of less than 10, and (b) it has — (i) a turnover, or (ii) a balance sheet total, of an amount less than or equal to the micro business threshold ”. (Small Business, Enterprise and Employment Act 2015 s33(3)).
micro business size regulations	Term used in Small Business, Enterprise and Employment Act 2015 s33(3) for the conditions that must be met for a business to be a micro business .
micro business threshold	Monetary limits of turnover and balance sheet total, below which a business qualifies as a micro business under Small Business, Enterprise and Employment Act 2015 s33(3).
microcard	Old form of text storage in which 200 pages of text could be filed in reduced type on one card that can be read using an enlarging device.
microchip	Small piece of silicon on which an electronic circuit has been printed.
microcircuit	Electronic circuit with components formed in one unit of semiconductor crystal.
microcomputer	Small computer device used as a controller for another device.
microcopying	Copying on to microfilm .
microcredit	Providing loans and other financial assistance, often of small amounts to people otherwise unable to access assistance from other sources. Microcredit promoted financial inclusion , but can easily lead to those in debt getting into worse debt.
microdot	Text or other data which is reduced to what looks like a dot to the naked eye. Microdots are widely used for security purposes.
microeconomics	Study of economics at the lowest level, such of individual people or businesses. “The study of how economic resources are allocated in and between parts of the economy, including individuals and households” (HM Treasury

glossary).

- micro-entity** EU accounting term for a business which meets at least two of these criteria:
- balance sheet total of €250,000
 - net annual turnover of €500,000
 - maximum of ten employees.
- Such businesses are to be grant relief from some business requirements. This includes producing a simplified profit and loss account and profit and loss account. The announcement was made on 31 May 2011. The UK government says it supports this proposed directive.
- Such a business may now prepare its accounts under FRS 105.
- microfiche** Plastic slide on which text is printed in a size that requires a special reader to be legible. Company records were widely available on microfiche before computers replaced them.
- For VAT, microfiches are generally standard-rated and do not benefit from the zero-rating for books (VAT notice 701/10).
- microfilm** Photographic taken at a very small scale, often so that many photographs can be kept on a small piece of film. It is read using an enlarger.
- microfinance** Financial provision of small amounts, usually too small to be economically worthwhile for the main providers of financial services.
- The two most common forms of microfinance are:
- **relationship-based banking** such as a credit union or hawala where finance is arranged by people who know and trust each other
 - group-based arrangements, where entrepreneurs come together to share overheads and facilities.
- microgeneration** Facilities for a home to produce electricity. The law is Energy Act 2004 s82.
- Use for the generation of electricity of any plant which uses apparatus that derives its energy solely from **renewable sources** such as sunshine or wind (Climate Change and Sustainable Energy Act 2006 s26(1)). The maximum amount for electricity is 50 kilowatts and for heat 45 kilowatts thermal.
- A gain on the disposal of a microgeneration obligation may not be a chargeable gain under Taxation of Capital Gains Act 1992 s263AZA.
- microlettering** Very small letters that look like dots to the naked eye.
- This is used as a security feature on modern Bank of England notes. Using a strong lens, the dots under the Queen's portrait appear as letters and numbers indicating the note's value.
- micromillimetre** One millionth of a millimetre, in other words a nanometre.
- micron** Unit of size equal to one millionth of a metre, now called a micrometre.
- Micronesia** Nation of federated states in Pacific Ocean. They became independent in 1986. The currency is the US dollar of 100 cents. The UK has no double taxation treaty.

Micropal star ratings	<p>Rating system for unit trusts.</p> <p>Micropal continually monitor all UK unit trusts, measuring the balance between each fund's performance over three years against the up or down movements in its unit price (i.e. the volatility). They then award stars on a scale from 0 to 5, with the highest number going to those funds with the lowest volatility – and therefore risk – in relation to their overall performance. Five stars is the top award.</p>
microperforation	<p>Perforation which is so small that it is not noticed by the naked eye.</p>
microprocessor	<p>Integrated circuit on a silicon chip used in a computer, or a collection of such chips intended to work together.</p>
MID	<p>Measuring Instruments Directive.</p>
Midas	<p>King of Phrygia who supposedly turned everything he touched to gold.</p>
mid cap	<p>Imprecise investment classification of companies of substantial size but which are not regarded as large.</p>
middle date	<p>Date which is regarded as the accounting date when accounts are made up to a day of the week, such as the last Friday of the month, rather than to a fixed date. As a consequence, the date could be any of seven consecutive days (or eight for February). For tax purposes, the accounting date is the fourth date in the sequence of seven or eight dates under Income Tax (Trading and Other Income) Act 2005 s211.</p>
Middle East	<p>Generally reckoned as the Arabic-speaking countries around the eastern end of the Mediterranean, plus Greece, Turkey, Cyprus, Iran and much of north Africa.</p>
Middle Temple	<p>One of the four Inns of Court. It dates from 1404.</p>
middy	<p>Australian slang for a quantity of beer, the amount depending on location.</p>
Midland Bank	<p>One of the Big Four banks in the UK, which is now part of HSBC under which name it trades.</p> <p>The bank was formed in Birmingham in 1836 as the Birmingham and Midland Bank. By 1918 it was the largest bank in the world.</p> <p>It adopted the name Midland Bank in 1923. Its logo was a griffin in a circle of dots. It also styled itself "the listening bank".</p> <p>The bank expanded through acquisitions including Montagu Trust in 1967, and travel agents Thomas Cook in 1972 (which it sold in 1992).</p> <p>The Hongkong and Shanghai Banking Corporation acquired a 14.9% holding of Midland in 1987, and bought out the bank in 1992. Midland Bank was renamed HSBC bank in 1999.</p>
Midland Marine	<p>Leading court case on the matching of foreign exchange assets and liabilities.</p> <p>Its full citation is <i>Pattison v Marine Midland Ltd [1983] 57TC219</i>. It is</p>

discussed in the Inspectors' Manual at BIM39520-39521.

midnight	Time at which a day of the calendar legally starts.
mid price	In investment, the average of the bid price and offer price of a security.
Midsummer Day	The English quarter day of 24 June, marking the summer solstice when nights are their shortest.
midwife	Person who provides medical assistance during childbirth. 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.
MIF	Minimum income floor.
MiFID	European Parliament and Council Directive on markets in financial instruments, as given effect in UK by SI 2004 No 39.
MiFID II	A revised form of MiFID which it is proposed to introduce in 2017.
MIG	Minimum income guarantee.
migrant settlement	Trust that moves from being UK-resident. The capital gains tax implications are given in Taxation of Capital Gains Act 1992 s89.
migrating trustee	Trustee who ceases to be UK-resident. The capital gains tax implications are given in Taxation of Capital Gains Act 1992 s82.
migration of payments	In banking, change of payment method, particularly when one method is discontinued. From 2008, many large retailers stopped accepting cheques. Customers migrated to cash and debit cards.
migratory fish	"Fish of a kind which migrates from fresh to salt water, or from salt to fresh water, in order to spawn" (Water Act 2014 s61(9)).
MIIC	Motor Insurers' Information Centre.
mil	(1) Unit of wire diameter equal to one thousandth of an inch. (2) Coin equal to one thousandth of a pound, minted in Cyprus. (3) Unit of angular measurement equal to 0.05625 degrees or 1/6400 of a circle.
MILA	Integrated Latin American Market.
milch-cow	Cow yielding milk. By extension, the term means to any source of ready financial gain.

- mile** **Imperial unit** of length, still widely used in transport. It equals 1,760 yards, 5,280 feet or 1609.344 metres. It was originally 1,000 paces.
- mileage allowance payments** “Amounts, other than **passenger payments** (see section 223), paid to an employee for expenses related to the employee’s use of such a vehicle for business travel (see section 236(1))”
(Income Tax (Earnings And Pensions) Act 2003 s229(2)).
- mileage allowance relief** Amount per mile that may be paid to an employee for use of a personal vehicle on the employer’s business, without triggering a liability to income tax or national insurance (Income Tax (Earnings And Pensions) Act 2003 s251).
If the employer reimburses at a lower rate, the employee may claim income tax relief on the shortfall. Any excess is taxable.
- Mileage Allowance Relief Optional Reporting Scheme (MARORS)**
Optional scheme whereby an employer could (from 2002) report to Inland Revenue that it was reimbursing employees for use of their cars for business at less than the approved mileage approved rate. This meant that the employee was automatically given a tax refund for the shortfall. If an employer chose not to use MARORS, the employee had to make the claim directly from Inland Revenue.
- Miliband, Ed** English Labour politician (1969-) who was leader of the Labour party from 25 September 2010 to 8 May 2015.
- Military Cross** Award for bravery. Payments of pension or annuity in respect of the award are free of income tax (Income Tax (Earnings And Pensions) Act 2003 s638).
- Military End Use Council Regulations**
Name for SI 2003 No 150. This requires authorisation by HMRC for Customs procedures. These procedures change from 1 May 2016 as explained in Customs Information Notice 44 of 2 November 2015.
- Military Medal** Award for bravery. Payments of pension or annuity in respect of the award are free of income tax (Income Tax (Earnings And Pensions) Act 2003 s638).
- military service** Certain pensions paid for military service are exempt from income tax (Income Tax (Earnings And Pensions) Act 2003 s639).
- milk** **Value added tax**
This is zero-rated for VAT.
Under Value Added Tax 1994 Sch 8 Group 1, food is generally zero-rated. Excepted Item 3 standard-rates beverages. Items Overriding The Exception 6 reverses the exception, thus reinstating the zero-rating.
The zero-rating extends to “preparations and extractions thereof”.
Further guidance is given in VAT Notice 701/14.
- Soft drinks industry levy**
The addition of milk to a soft drink is not taken as adding sugar for the

purposes of soft drinks industry levy (Finance Act 2017 s29(4)).

milk-based drink

“Means a soft drink which contains at least 75 millilitres of milk per 100 millilitres of prepared drink” (Finance Act 2017 s30(2)).

Such a drink is exempt from soft drinks industry levy.

milk quota

Definition

Producer's right to sell a fixed amount of milk each year. It is an asset its own right, independent of the milk itself. As such it can be part of a farmer's estate for inheritance tax purposes.

Since 1994, it has been possible for milk quota to be sold separately from the land to which it relates, and for quota to be temporarily transferred between farmers.

These quotas are issued under European Union rules from 2 April 1984 to restrain excessive milk production. The quota is now allocated by the Rural Payments Agency.

The current EU regulations are 3950/92 given effect in the UK by the Dairy Produce Quota Regulations 1994.

Value added tax

The VAT position is that the sale of a quota without land is a standard-rated supply. The sale of quota with land is usually regarded as part of the supply of the land. The matter is discussed in the Inspectors' Manual at VFOOD9950.

Capital gains tax

The capital gains tax position is given in Taxation of Capital Gains Act 1992 s248D.

milk retention

Part of the income earned by a dairy farmer who chose to sell his milk through **Dairy Farmers of Britain**. These retentions are part of the taxable income of the farmers even though many could not be realised when Dairy Farmers went into receivership on 3 June 2009.

milkshake powder

Chocolate flavoured milkshake powder is zero-rated for VAT as a form of cocoa. Strawberry and banana flavours are standard-rated. *Nestlé Ltd [2018] UKUT*.

milk substitute drink

“Means a soft drink which —

(a) contains at least the specified quantities of calcium, and

(b) meets such other conditions as may be specified”

(Finance Act 2017 s30(3)).

Such a drink is exempt from soft drinks industry levy.

mill

Building

Place of production. A mill is specifically included in the definition of **industrial building**.

Currency

US measure of currency equal to one thousandth of a dollar, or one tenth of a

	cent.
milled edge	Grooves round the edge of a coin.
millennium	Period of 1000 years. The term popularly referred to the year 2000, though, strictly, the millennium did not start until 2001.
millennium bug	The set of problems occurring (or expected to occur) on January 1, 2000 and other related dates caused by short-sighted programming that coded the years with only 2 digits. The problem largely did not materialise. The extent to which such expenditure was capital or revenue is discussed in the Inspectors' Manual at BIM35865.
Millennium Gift Aid	Provision in the rules for Gift Aid which set a lower minimum donation for the years 1998/99 to 1999/2000 on charitable donations to low-income countries. The limit was £100 as against £250 that otherwise then applied. The provisions became otiose from 6 April 2000 when all Gift Aid thresholds were abolished.
millesimal	One thousandth.
milli-	Prefix used in metric units. It means 10^{-3} , or one thousandth.
milliard	Old term which meant one thousand million or 10^9 . This term is now usually conveyed by the word billion .
millième	One thousandth of an Egyptian pound, currency of Egypt.
milling	In brewing, a process where the malted barley is broken open to utilise the starchy inner parts of the malt corms to produce grist.
million	The number 1,000,000 or 10^6 .
millionaire	Person who is worth a million pounds or a million of another currency.
millionary	Pertaining to one million.
milreis	(1) A Portuguese coin used before the escudo . (2) A Brazilian coin used before the peso .
MIME	In computing, multipurpose mail extensions. It is an Internet standards that extends the scope of e-mails to include non-standard text, non-text attachments, and message bodies with multiple parts. Almost all e-mails are now written in MIME format.
mimeograph	Early form of duplicating machine that used a stencil.

mina	(1) Ancient Greek weight or sum of money equal to 100 drachmas. (2) Israeli weight or sum of money equal to 50 or 60 shekels.
mine	(1) Place from which mineral is extracted. See mines . (2) In investment, word used by dealers to indicate that they have accepted an offer quoted by a counterparty.
miner	(1) A coal miner may receive free coal or an allowance in lieu of coal. Such coal or allowance is tax free under Income Tax (Earnings And Pensions) Act 2003 s306. A similar provision applies for former miners under ibid s646. (2) For blockchain , a miner "is a particular node that not only participates in the blockchain, but helps to keep it operating by running computations that allow new transactions to be verified and posted" (ICAEW Guidance 2017).
mineral asset	"Means — (a) any mineral deposits or land comprising such mineral deposits, or (b) any interest in or right over such deposits or land" (Capital Allowances Act 2001 s397).
mineral deposits	"Includes any natural deposits capable of being lifted or extracted from the earth, and for this purpose geothermal energy is to be treated as a natural deposit" (Capital Allowances Act 2001 s394(3) and s452(3)).
mineral exploration and access	The tax implications are given in Corporation Tax Act 2009 s137 and Income Tax (Trading and Other Income) Act 2005 s161.
mineral extraction	The process of winning, quarrying, mining or otherwise extracting natural materials from the ground. Provisions relating to capital allowances can be found in Capital Allowances Act 2001 from s159 and in s 396.
mineral extraction allowance	Capital allowance for mineral extraction activities. The tax provisions are given in Capital Allowances Act 2001 from s394. This allowance may restrict the tax relief for tenants under a taxed lease (Income Tax (Trading And Other Income) Act 2005s62 or Corporation Tax Act 2009 s64).
mineral extraction trade	"Means a trade which consists of, or includes, the working of a source of mineral deposits but to the extent only that the profits or gains from that trade are, or (if there were any) would be, chargeable to tax" (Capital Allowances Act 2001 s394(2)).
mineral lease or agreement	Corporation tax provisions are given in Corporation Tax Act 2009 s274.
mineral leases	The chargeable gains provisions are set out in Taxation of Capital Gains Act 1992 from s201.
Mineral Oil Reliefs Centre (MORC)	Office of HMRC that allows rebated oil to be used in vehicles on payment of

the duty.

- mineral resource** “Means a solid, liquid or gaseous mineral resource” (Deep Sea Mining Act 2014 Sch para 2(3)).
- mineral royalties** Payment to someone for extracting or winning minerals.
Its provisions for income tax are given in Income and Corporation Taxes Act 1988 s122(5). Its provisions for corporation tax are given in Corporation Tax Act 2009 s135.
Corporation tax provisions for relief in respect of such royalties is given in Corporation Tax Act 2009 s258. Relief for expenses is given in s272.
- mineral water** For VAT, this is standard-rated. It does not benefit from the zero-rating for **water**.
- mineralised methylated spirits (MMS)**
Mixture of 90 parts by volume of spirits, 9.5 parts wood naphtha and 0.5 parts crude pyridine. To each 1000 litres of this is added: 3.75 litres of mineral naphtha (petroleum oil) and 1.5 grams of methyl violet.
It is one of the three classes of **methylated spirits** on which alcoholic liquor duty is not payable.
- mines** Profits from a mine run as a trade are subject to income tax (Income Tax (Trading And Other Income) Act 2005s12) or corporation tax (Corporation Tax Act 2009 s39).
- Ming** Chinese dynasty from 1369 to 1643, famous for its pottery and other art.
- mingy** Colloquialism for being mean, or ungenerous.
- mini bond** Term coined around 2015 for a form of share in a **crowdfunding** platform. It is a form of collective investment scheme whereby ordinary investor can invest in a range of new enterprises.
- minibus**
Vehicle with between nine and 16 passenger seats. It is category D1 on the driving licence. A driver must generally be 21 to obtain a licence for this category.
A person who has a driving licence for cars obtained before 1 January 1997 may drive a minibus provided it has no more than 17 seats (including the driver's) and is being driven other than for hire or reward.
For the purposes of **works transport service**, a minibus is “a vehicle constructed or adapted for the carriage of passengers which has a seating capacity of 9, 10 or 11” (Income Tax (Earnings And Pensions) Act 2003 s242(3)).
- minibus permit** Permission which allows certain organisations to operate minibuses for hire or reward without having to obtain a **passenger carrying vehicle** licence.
- mini-ISA** Term used between 6 April 1999 and 5 April 2008 to distinguish **individual savings accounts** between **maxi-ISAs** and mini-ISAs.

An investor was allowed to invest in only one maxi-ISA but could invest in more than one mini-ISA which had a separate cash limit.

minimisation	Finding the lowest possible solution, such as reducing a heating bill.
minimum	Lowest amount possible.
minimum age	Age at or above which a person is allowed to do something, such as buy alcohol or drive a car.
minimum amount	Term used in relation to personal allowances (Income and Corporation Taxes Act 1988 s256B).
minimum consideration rule	<p>Rule that relates to pre-completion transactions for SDLT. Details are given in Finance Act 2013 Sch 39 para 12-14.</p> <p>This rule only applies where the ultimate purchaser of the land interest is either connected with the seller, or where the sale is otherwise not an arm's length transaction. It uses a formula to determine a figure. This is substituted for the actual consideration if it is greater.</p>
minimum contribution	Amounts of class 1 national insurance that HMRC refunds to an approved personal pension scheme . The provisions are contained in Pension Schemes Act 1993 from s43.
minimum distance	Mathematical method for determining the shortest distance, such as planning routes from depots to stores.
Minimum Efficiency Reporting Value (MERV)	Building measurement scale devised in 1987 to rate the effectiveness of air filters.
minimum funding requirement (MFR)	Rule introduced by Pensions Act 1995, effective from 1997, which broadly requires pension funds to have sufficient assets to meet their liabilities.
minimum guarantee	The lowest amount of total income received by a person receiving a tax credit.
minimum guaranteed future value (MGFV)	The minimum sum a seller of domestic goods, particularly cars, is prepared to pay after a set number of years to buy back the item under a personal contract purchase .
minimum income floor (MIF)	For universal credit, the assumption that a self-employed claimant is receiving weekly income of 35 times the national minimum wage, regardless of what the claimant may actually be receiving. This applies from the second year of claiming.
minimum income guarantee (MIG)	Benefit provided by the government to top up low pensions. It was replaced

by pension credits in 2003.

minimum income requirement

Obligation to meet the **minimum income threshold**.

minimum income threshold (MIT)

Minimum amount of pension that a pensioner over 74 must be receiving to allow him or her to draw down from a pension fund instead of annuitizing the fund.

The figure is £20,000.

The tax provision is given in Finance Act 2004 Sch 28 para 14A(2) as inserted by Finance Act 2011 Sch 16.

The provision was largely superseded in 2015.

minimum lease payments

Tax law

"In the case of any lease, the minimum lease payments are the minimum payments under the lease over the terms of the lease (including any initial payment) together with:

(a) in the case of the lessee, so much of any residual amount as is guaranteed by him or a person connected with him, or

(b) in the case of the lessor, so much of any residual amount as is guaranteed by the lessee or a person who is connected with the lessor" (Capital Allowances Act 2001 s70YE(1)).

Accounting standard

"The payments over the lease term that the lessee is or can be required to make, excluding contingent rent, costs for services and taxes to be paid by and reimbursed to the lessor, together with:

(a) for a lessee, any amounts guaranteed by the lessee or by a party related to the lessee; or

(b) for a lessor, any residual value guaranteed to the lessor by:

(i) the lessee;

(ii) a party related to the lessee; or

(iii) a third party unrelated to the lessor that is financially capable of discharging the obligations under the guarantee.

However, if the lessee has an option to purchase the asset at a price that is expected to be sufficiently lower than fair value at the date of the option becomes exercisable for it to be reasonably certain, at the **inception of the lease**, that the option will be exercised, the minimum lease payments comprise the minimum payments payable over the lease term to the expected date of exercise of this purchase option and the payment required to exercise it."

(FRS 102 glossary).

minimum lending rate (MLR)

The lowest rate charged by the Bank of England to lending houses. It was replaced by the **base rate** in 1981.

minimum notice	<p>In relation to taxation of employment termination payments, “is the minimum notice required to terminate the employee’s employment by notice in accordance with the law and contractual terms effective —</p> <ul style="list-style-type: none">(a) where the termination is not a notice case —<ul style="list-style-type: none">(i) immediately before the employment ends, or(ii) where the employment ends by agreement entered into after the start of the employment, immediately before the agreement is entered into, and(b) where the termination is a notice case, immediately before the notice is given”. <p>(Income Tax (Earnings and Pensions) Act 2003 s402E(4)).</p>
minimum payments	<p>“The minimum payments an employer must make to a COMP/COMPSPH or the COMP part of a COMB scheme are the differences between NICS at the not contracted out rate, and the lower contracted out rate. This also applies to married women and widows paying the contributions at the reduced rate. Payments must be made by the employer to the scheme within 14 days of the end of the income tax month in which liability for NICs arose on earnings on which minimum payments are due” (CA 84 Stakeholders Pension Scheme Manual, published by HMRC).</p> <p>These provisions cease to be relevant from 6 April 2016.</p>
minimum price fluctuation	<p>Small increments in market price movement that is usually possible in a futures or options contract.</p>
minimum proportion	<p>In relation to attribution of gains to beneficiaries, this term is defined in Finance Act 2008 Sch 7 para 126(17).</p>
minimum quote size	<p>In investment, the minimum number of shares for which a market maker must display prices.</p>
minimum reserves	<p>The smallest amount of reserves an organisation may hold, particularly a bank.</p>
minimum share capital	<p>The smallest legal amount of share capital that a limited company may have.</p> <p>There is no lower limit for a private company. For a public company, the lower limit is £50,000 or the equivalent in euros (Companies Act 2006 s763(1)). This amount is known as the authorised minimum.</p>
minimum span	<p>In statistics, an optimisation technique used for finding the shortest distances within a network when order is not important.</p>
minimum value	<p>This term is used in relation to civil recovery of personal property under Proceeds of Crime Act 2002 s303Y as inserted by Criminal Finances Act 2017 s15.</p> <p>The minimum value is £1,000.</p>
minimum wage	<p>Lowest wage which may be lawfully paid. This is the national minimum wage unless an organisation sets a higher minimum.</p>

mining	<p>(1) The process of extracting minerals from digging under the ground (as against quarrying and winning).</p> <p>(2) For bitcoins, the process by which such coins are created from computer software.</p>
mining concession	Right to dig a mine on a piece of land.
Mini One Stop Shop (MOSS)	VAT system available from 1 January 2015. This allows a business that makes supplies of telecommunication, broadcasting and e-services to register in one member state and charge VAT at the rate of other member states in respect of supplies made to customers in those states.
mini-pupillages	<p>“Mini-pupillages are short periods of work experience, usually for one week, in a set of chambers. The format varies between chambers, but mini-pupillages generally involve shadowing a member of chambers and learning what their work involves. Mini-pupillages provide an invaluable insight into life as a barrister and may provide some useful contacts to assist you in finding pupillage. You are strongly advised to do at least one mini-pupillage before making pupillage applications and you should try to do more than one. You can apply for mini-pupillages at any stage, although you may find it difficult to obtain one if you are still at school, and some chambers require you to be studying law before you can apply.” (Bar Council website)</p>
mini-regime	Scheme proposed by the European Union in 2011 under which small companies would be permitted to produce simpler balance sheets and profit and loss accounts. This has now been enacted as provisions for micro-entities .
miniskirt	<p>Short skirt which stops above the knee. They became fashionable from around 1965 to 1973, and have been fashionable several times since.</p> <p>When first introduced, the government lost purchase tax revenue because shorter skirts came within the scope of untaxed children's clothing. This led to a change in the law defining children's clothing according to other measurements and how they are held out for sale. These provisions are still included in current VAT law (VAT notice 714).</p> <p>Short skirts are also seen as a fanciful measure of the economy known as the hemline theory.</p> <p>The word is sometimes hyphenated.</p>
ministerial office	In relation to allowable expenses, this term is defined in Income Tax (Earnings And Pensions) Act 2003 s295(3).
ministerial trust	Special trust which requires just normal business skills to administer.
minister of religion	<p>Tax exemption for their accommodation is given in Income Tax (Earnings And Pensions) Act 2003 from s290. Relief for certain other expenses is given in <i>ibid</i> s351.</p> <p>The matter is discussed in the Inspectors' Manual at EIM60001.</p> <p>Calculation of profits of the profession or vocation of a minister of religion is addressed in Income Tax (Trading and Other Income) Act 2005 s159.</p>

From 6 April 2016, there is a special provision for a **lower-paid employment as a minister of religion**. Broadly they are exempt from tax on a benefit in kind for accommodation and other incidental expenses (Income Tax (Earnings and Pensions) Act 2003 s290C).

Minister of State

An additional minister appointed to a government department that already has a Secretary of State. The Treasury has at least four ministers of state in addition to the Chancellor of the Exchequer.

Ministry of Defence fire-fighter

This is defined in Armed Forces Act 2016 s16(3).

Ministry of Finance

Name given in many countries to the equivalent to the **Treasury** in the UK. In 2003, the government considered establishing a separate department under a project named **Teddy Bear**.

Ministry of National Insurance (MNI)

Body that administered national insurance and social security from 1948. This work is now done by the Department of Work and Pensions.

mink

Small animal whose fur is valued for clothing.

minor

Young people

Person under 18. Note that **child** means a person under 14.

A minor has a limited **capacity to contract**. This is generally restricted to buying necessities at a fair price. A minor cannot own property, so there are some tax-advantaged forms of **trust** that may be used. These include **18-25 trusts** and **trusts for a bereaved minor**.

A trust for a minor may be voidable during minority or soon after the 18th birthday.

Minors are generally liable to pay tax on the same basis as adults. There is an exception for national insurance where the tax is not paid for those under 16.

Income from a parent is regarded as the child's only up to £100 a year. Thereafter, the income is regarded as still being the parent's.

Minors qualify for a lower rate of **national minimum wage**.

Of small amount

In relation to PAYE settlement agreements, refers to "the amount of the sums paid or the type of benefit provided or made available" (PAYE regulations SI 2003 No 2682 s196(3)(a)).

minor benefits

Benefits exempted by Treasury

Benefit that the Treasury may by Order exempt from being treated as a benefit in kind when provided to an employee (Income Tax (Earnings And Pensions) Act 2003 s210). Orders have been made for certain meals, bus and minibuses services, pensions advice and recreational facilities, among others.

Benefit covered by a PAYE settlement agreement

Benefit an employer provides to an employee which is of a small amount and

may therefore be covered by a PAYE settlement agreement. Examples are given in statement of practice SP 5/96. It should be noted that if a benefit is also **trivial**, it may be exempt from tax completely from 6 April 2016.

minority	Less than half the votes, people or other population.
minority interest	The amount of a subsidiary not owned by the holding company .
minority interest in a subsidiary undertaking	“The interest in a subsidiary undertaking included in the consolidation that is attributable to the shares held by or on behalf of persons other than the parent undertaking and its subsidiary undertakings” (FRS 2 para 13).
minority participator	For inheritance tax, “is a participator of the transferor company who is not, and is not a person connected with, a participator of the principal company of the group or of any of the principal company’s participators” (Inheritance Tax Act 1984 s97(2)(b)).
mint	Produce coins. The Mint or Royal Mint is where British coins are produced. There were also many local mints. Coins were minted at the Tower of London until 1810 when it moved to new nearby premises. In 1968, it moved to Llantrisant, near Cardiff.
mintage	Number of coins produced for a particular year and denomination. One of the highest mintages of recent years was the 740 million 20p coins produced in 1982.
mint condition	State of a coin fresh from the mint, or another item in similarly new condition.
mint-mark	Mark on a coin indicating the mint where it was produced.
minuend	In arithmetic, the number from which another is subtracted.
minus	An indication of an amount to be subtracted.
minuscule	Very small, originally a small script. Note that the fourth letter is U; the word has no connection with the prefix mini-.
minus sign	A short dash – that indicates an amount to be subtracted.
minute	Unit of time comprising 60 seconds. There are 60 minutes in an hour.
minute-book	Book in which minutes are recorded.
minutes	Formal record of a meeting. Company law requires that minutes are kept of board meetings and general meetings. The minutes are generally regarded as provisional until accepted as true and fair record by the next meeting of the same group.

minutiae	Small particulars or details.
MIRAS	Mortgage Interest Relief at Source. Although this is no longer available, tax relief may still be claimed for some old years under Income and Corporation Taxes Act 1988 s369.
mirror covenants	Terms in a sub-lease which simply replicate terms in the head lease.
mirrored term agreement (MTA)	Agreement reached by an employer and its employees or their trade union regarding compliance with TUPE regulations . These broadly require the employees in a business taken over to have continuity of employment and same employment rights as with their previous employer.
mirror legislation	When text in one Act is reproduced in the same or similar terms in another Act. There are many examples where text in the Income Tax Act 2007 is mirrored in Corporation Tax Act 2009 or 2010.
misappropriation	Illegal use of money by someone who had access.
misbestow	Bestow improperly or on the wrong person.
miscalculate	Calculate incorrectly.
miscarriage of justice	When the courts have failed to do justice.
miscegenation	Marriage, sexual relations or other mixing of races.
miscellaneous transactions	Term used in Corporation Tax Act 2010 s91 in relation to income and losses, particularly from offshore activities.
mischief rule	One of the methods for interpreting an Act of Parliament. (The other main methods are the golden rule and literal rule .) The mischief rule asks for what purpose the Act was passed. It was expressed in <i>Hayden's case</i> [1543]. It is now only followed when words are ambiguous. In the leading tax case <i>Pepper v Hart</i> [1992], the House of Lords held that the courts could look to Hansard , the record of Parliamentary proceedings to see the purpose of the Act. In the case <i>Madeley v HMRC SpC 547</i> [2006], the Special Commissioners made reference to an Inland Revenue press release.
mischmetal	Alloy of cerium with other metals to make the flint in a mechanical lighter .
miscomputation	Incorrect computation, false reckoning.
misconduct	Rules about misconduct by HMRC officers may be made under Commissioners for Revenue and Customs Act 2005 s28.

misdeclaration	Incorrect information on any declaration made to HMRC, particularly relating to VAT.
misdeemeanour	Old term for a less serious crime, as against a felony . In the UK, this distinction was abolished by Criminal Law Act 1967 s1. The distinction remains in US law.
misdirection	Wrong advice is given by someone who should know the correct answer. In tax law, the term usually applies when an officer of HMRC gives wrong advice to a taxpayer. VAT notice 700 states "if [an HMRC] officer, with the full facts before him or her, has given a clear and unequivocal ruling on VAT in writing or, knowing the full facts, has misled a taxable person to that person's detriment, any assessment of VAT due will be based on the correct ruling from the date the error was brought to the taxable person's attention".
miser	Person who is unnecessarily reluctant to spend money so they can hoard it. The word comes from the Latin for "wretched".
misfeasance	Doing a lawful act in an unlawful manner, such as smuggling.
misleading statement	Statement which is expressed to make a person believe that it says something which is untrue. It is a criminal offence for a director to make a false statement in the directors' report, directors' remuneration report or summary financial statement (Companies Act 2006 s463(1)).
mismanage	Manage badly.
mismatch condition	Term used in relation to diverted profits tax, and which is defined in Finance Act 2015 s86(2).
misprision	Legal offence of concealment or neglect.
misrepresentation	State of fact which the person making it knows or believes it to be untrue and which is intended to induce a person to make a contract. An obvious example is any false statement about the quality of goods offered for sale. Misrepresentation is covered by Misrepresentation Act and by common law. It usually allows the injured party to claim damages. In some circumstances, it can allow the contract to be rescinded. Misrepresentation may be fraudulent misrepresentation , negligent misrepresentation or innocent misrepresentation . The legal consequences are different.
Miss	Title used by an unmarried woman, including a girl.
Missing in Action (MIA)	Scheme of relief from estate duty suffered by those killed in the war. Details are given in the entry for killed in action . These provisions can still be relevant if claiming transferable nil rate band for inheritance tax where the first death was before 12 March 1952.

This relief is quite separate from the inheritance tax relief for those killed on **active service**.

missing person

A person:

- who is absent from their usual place of residence,
- who is absent from their usual day-to-day activities, and
- whose whereabouts are either not known at all or are known with insufficient precision to make contact (Guardianship (Missing Persons) Act 2017 s1).

After 90 days a person may apply to the court for an order to appoint a guardian to look after that person's financial and administrative affairs.

missing trader fraud (MTIC)

Simple but widespread fraud whereby goods are brought into the UK free of VAT. They are then sold subject to VAT at the standard rate. Input tax is claimed by the importer from HMRC. The importer then absconds. It is also known as **missing trader-intra community fraud**. The UK is, by far, the worst affected EU state.

Goods most commonly used are high value low bulk items such as mobile phones and computer chips. **Reverse charging** was introduced for these items from 1 June 2007 to counter fraud.

Sometimes innocent companies are duped into participating by offers of easy profits. HMRC may refuse to pay the input tax if there is evidence that the company knew or should reasonably have known that it was fraudulent. HMRC routinely suspends payment of input tax while this is investigated. MTIC cases are frequently litigated, usually with HMRC winning. Guidance is provided by the **Bond House decision**.

Variations include **carousel fraud** which is where the same goods are passed from business to business in different EU member states.

Another variation is to run a **dirty chain** of MTIC fraud with a **clean chain** of legitimate trade. The input tax from the dirty chain is offset against the output tax from the clean chain. As this does not trigger a VAT repayment, it is less likely to be immediately challenged. This is known as **contra-trading**.

missing trade intra-community fraud (MTIC)

Full name of **missing trade fraud**.

mission statement

Precise description of what an organisation does. It asks the question "why?" rather than "how?"

mistake

In civil cases at common law, a mistake may be relieved in three situations:

- to recover money paid under a mistake of fact;
- in deceit, to recover money paid by fraudulent misrepresentation;
- as a defence under contract law where the nature of the mistake was such that a contract could not have been formed.

In equity, a wider range of mistakes may be relieved. To claim such relief it is generally necessary for each party to be informed of the mind of the other.

In written documents, obvious mistakes are usually corrected by the court.

In tax, relief for a mistake may be claimed under Taxes Management Act 1970 s33. Current practice is to regard all mistakes as arising from carelessness, and therefore to impose a penalty if any tax has not been paid by the due date.

There are also some specific provisions for VAT mistakes that arise from **misunderstanding** or **misdirection**.

mistigris	Form of poker in which the joker or a blank card may be used for any value.
mistrial	Trial that is invalid because of an irregularity.
misunderstanding	<p>A type of extra-statutory concession applied in exceptional circumstances. It allows tax relief, where VAT is undercharged by a registered business on account of a bona fide misunderstanding. Conditions apply.</p> <p>VAT notice 700 states "in certain circumstances, we may exceptionally take no further action about VAT undercharged by a taxable person as a result of a genuine misunderstanding which does not concern anything clearly covered in our published guidance, or in specific instructions given to that taxable person".</p>
misuse	Wrong use.
misused stamp	For stamp duty, when too much duty has been paid. It is treated as a spoiled stamp . The tax provisions are in Stamp Duties Management Act 1891 s10.
MIT	<p>(1) Minimum income threshold.</p> <p>(2) Market-if-touched.</p>
Mitchell v Finney Lock Seeds	Landmark court case of 1983 on exclusion clauses. It was the last case heard by Lord Denning. It broadly established that an exclusion clause is only enforceable if reasonable.
mite	Old Flemish coin of very low value. By extension, it is applied to any low value coin or small amount.
mitigation	<p>When a charge is reduced, such as a tax penalty where the taxpayer has been co-operative.</p> <p>Mitigation applies only to certain types of civil penalties. For example, misdeclaration penalty and belated notification penalty.</p>
mittimus	Latin: we send. A name for a writ.
Mitt joint	In gambling, a club where the house cheats the players, or one that turns a blind eye to cheating in general.
mixed-consideration swap	Type of oil licence swap (Taxation of Capital Gains Act 1992 s195A).
mixed economy	Mixture of state control and capitalism . Most British political parties support the mixed economy though they may disagree on where the boundaries

should be.

mixed expenditure	Expenditure that contains two or more elements that are treated differently for tax. The expression is used in the Inspectors' Manual at BIM24460 in relation to expenditure related to mutual trading which is not allowable against the taxable profits of non-mutual trading.
mixed funds	<p>Fund which comprises elements of a different financial nature, such as capital and revenue, or taxed and untaxed.</p> <p>The term is particularly relevant in relation to the annual fee paid by non-domiciled taxpayers.</p> <p>In relation to the remittance basis, there are special provisions in Income Tax Act 2007 s809Q. For this purpose, the term is defined in ibid s809R(7).</p>
mixed holding	A single holding including shares that qualify for share loss relief and shares that do not. The tax treatment is addressed in Corporation Tax Act 2010 s76.
mixed loan	Loan which has more than purpose that qualifies for relief against income tax. The types of loan are set out in Income Tax Act 2007 s383(2) and the provisions for mixed loans are set out in ibid s386.
mixed question of fact and law	Court case where the jury establishes the facts, and the court determines the legal consequences of those facts.
mixed strategy game	In statistics, game theory where there is no saddle point . The optimal position is to make one move within a specified time, and another within the remaining time.
mixed supply	For VAT, where a charge is made on a single inclusive price for a number of separate supplies of goods or services. This is different from a single supply of a mixture of goods or services, to which a single rate of tax applies.
mixer	Soft drink that is often mixed with an alcoholic drink. Common examples include tonic water and lemonade.
mixing beer	<p>"Mixing of beer from one brew with that from another and the mixing of beers of different alcoholic strengths" (Customs notice 226).</p> <p>There are certain restrictions for beer duty purposes, and special record keeping requirements for calculating the duty.</p>
MKD	ISO code for Macedonian denar.
MKO	Marked kerosene .
MLA	Member of the Legislative Assembly , of Northern Ireland.

MLAR	Mortgage Lending and Administration Return, as required by the Financial Services Authority.
MLC	Meat and Livestock Commission.
MLRIPP	Prefix for HMRC's tax manual on MLR1 penalties.
MLR2R	Prefix for HMRC's tax manual on money laundering registration.
MLR3C	Prefix for HMRC's tax manual on money laundering regulations.
MLRO	Money laundering reporting officer.
MMA	Married man's allowance.
MMC	(1) Money Markets Committee, of the Bank of England. (2) Monopolies and Mergers Commission , now abolished.
MMK	ISO code for Myanmar (or Burmese) kyat.
MMS	(1) Mineralised methylated spirits. (2) Multimedia messaging service.
MNE	Multi-national enterprise.
MNI	Ministry of National Insurance.
MNR	"Sum equal to the appropriate fraction of the upper relevant maximum amount" for corporation tax, where there are ring-fenced profits (Finance Act 2007 s3).
MNT	ISO code for Mongolian tughrick.
MO	(1) Modus operandi. (2) Mechanical output. This term is used in Climate Change Levy (General) Regulations 2001 Sch 3. (3) Medical officer.
mobile catering	Sale of food from a van. For VAT, this has sometimes created a problem in determining whether the supply is zero-rated food or standard-rated catering. In the case <i>C&E v B H Cope [1981] STC 532</i> , a supply at a racecourse was held to be catering as the premises were discernable. In <i>B R Jones [1977] VATTR 155</i> , a supply in an open space was held to be food. Note that hot take-away food and drink is now always standard-rated.
mobile crane	Driving licence Vehicle which is used for high construction work. From 1 January 1999 it is classed as a large goods vehicle for driving licence purposes.

Excepted vehicles for oil duty

“Means a vehicle which is designed and constructed as a mobile crane and which —

(a) is used on public roads only as a crane in connection with work carried on at a site in the immediate vicinity or for the purpose of proceeding to and from a place where it is to be or has been used as a crane,

(b) when so proceeding does not carry any load except such as is necessary for its propulsion or the operation of built-in lifting apparatus, and

(c) has a revenue weight exceeding 3,500 kilograms” (Hydrocarbon Oil Duties Act 1979 Sch 1 para 9(2)).

Revenue weight is defined in Vehicle Excise and Registration Act 1994 s60A.

mobile home

For VAT, this may come within the definition of a zero-rated **caravan**. Guidance is given in VAT notice 701/20.

mobile phone

Mobile telephone.

mobile pumping machine

“Means a vehicle —

(a) which is constructed or adapted for use, for the conveyance of a pump and a jib satisfying the requirements in sub-paragraph (3),

(b) which is used on public roads only —

(i) when the vehicle is stationary and the pump is being used to pump material from a point in the immediate vicinity to another such point, or

(ii) for the purpose of proceeding to and from a place where the pump is to be or has been used, and

(c) which when so proceeding, does not carry —

(i) the material that is to be or has been pumped, or

(ii) any other load except such as is necessary for the propulsion or equipment of the vehicle or for the operation of the pump” (Hydrocarbon Oil Duties Act 1979 Sch 1 para 9A(2)).

mobile telephone

From 6 April 2006, the provision of one mobile telephone to an employee is not a taxable benefit (Income Tax (Earnings And Pensions) Act 2003 s319). This section provides a definition. A second mobile telephone is generally a taxable benefit.

Between 6 April 1999 and 5 April 2006, there was no limit to the number of mobile phones an employer could provide tax-free.

Between 6 April 1991 and 5 April 1999, an employee was subject to tax on the benefit at a fixed rate of £200 per phone.

mobility activities

In relation to the **mobility component** of the **personal independence payment**, “means such activities as may be prescribed for the purposes of this section” (Welfare Reform Act 2012 s79(4)).

mobility component

One of the elements of the social security benefit, the **personal independence payment**.

The relevant law is given in Welfare Reform Act 2012 s79.

mobo	Motherboard in a computer.
MOC	Market-on-close.
moccasin	Type of footwear. It was held that moccasins from size 3 did not qualify for VAT zero-rating as children's clothing in the case <i>Brays of Glastonbury Ltd [1978] VTD 650</i> .
mock auction	Auction at which the bidding is rigged. Participation is an offence under Mock Auctions Act 1961.
MOD	(1) Manufactured overseas dividend. (2) Ministry of Defence
mode	In statistics, a form of average that selects the number that occurs most frequently in a series. Its most common use in business is determining the most popular size for selling a product.
model	A model may retire on a personal pension below the age of 50, provided: <ul style="list-style-type: none">• the person had the right by 5 April 2006,• the right was unqualified in that it needed no other person to consent,• the right was set out in the governing documentation of the pension scheme by 10 December 2003. (SI 2005 No 3451, as explained in the Inspector's Manual at RPSM 03106035).
model articles	Draft articles of association which a company may use, with whatever modifications it wishes. These are produced under the authority of Companies Act 2006 s19, and may be downloaded free from Companies House website. If a company fails to adopt its own articles, the model articles apply to it by default (Companies Act 2006 s20).
modelling	(1) In mathematics, producing a mathematical representation of a situation so that it can be examined when subject to various circumstances. (2) In employment law, modelling agencies are exempt from some of the restrictions that generally apply to employment agencies.
modelling level	In the fashion industry, the extent to which the model is prepared to undress.
modem	Electronic device used to transmit and receive data as a frequency-modulated tone over a telephone line or other communication system. The term is a contraction of modulator, demodulator.
mode of trial	Where a court case is heard.
moderator	Term used for various officers, particularly in churches and universities. At Oxford and Cambridge, the term was used for a person who oversaw the

examinations in mathematics.

Modern Company Law for a Competitive Economy

Series of government reports issued from 1998 on fundamentally reforming company law. The reports were issued in six phases and led to Companies Act 2006.

modern slavery

“A person commits an offence if—

(a) the person holds another person in slavery or servitude and the circumstances are such that the person knows or ought to know that the other person is held in slavery or servitude, or

(b) the person requires another person to perform forced or compulsory labour and the circumstances are such that the person knows or ought to know that the other person is being required to perform forced or compulsory labour. “ (Modern Slavery Act 2015 s1).

modest private use

Term used in Income Tax (Earnings And Pensions) Act 2003 s238.

Modest private use of a heavy goods vehicle, as set out in the section, is not a taxable benefit in kind.

modified cash equivalent

In relation to accommodation provided to an employee, this term is defined in Income Tax (Earnings and Pensions) Act 2003 s106(2A) as inserted by Finance Act 2017 Sch 2.

In relation to cars, the term is defined in Income Tax (Earnings and Pensions) Act 2003 s121B as inserted by Finance Act 2017 Sch 2.

modified duration

In investment, measure of price sensitivity of a bond to interest rate movements.

modified PAYE

Part of original **PAYE** scheme whereby the **week 1** basis could be used for two weeks and the cumulative code for the third week. It is no longer used.

modus et conventio vicunt legem

Latin: custom and agreement overrule law.

This is the legal maxim that parties are free to contract what they wish.

modus legem dat donationi Latin: Agreement gives law to the gift.

This means that a transfer of land settles the conditions on which the land is to be transferred.

modus operandi (MO)

Latin: plan of working.

modus vivendi

Latin: way of living.

Mohs scale

Scale of hardness of solids from 1 to 10. Talc scores 1 and diamonds 10.

mohur

Old form of Indian currency.

A gold 1 mohur coin may be regarded as an gold investment coin for VAT purposes (VAT notice 701/12A).

moidore	Old gold coin of Portugal.
moiety	One half.
molasses	Thick treacle derived from sugar. It was once subject to excise duty.
Moldova	Eastern country. Its currency is the Moldovan leu (plural is lei) of 100 bani. The UK has a double taxation convention of 2007.
momentum	In investment, the perceived strength behind a price movement of a security. Strong momentum means the price will continue to rise or fall.
MOMS	Mervardeskatt , Swedish for "value added tax".
Monaco	Principality in Europe. It is not a member of the European Union but is part of its Customs union. Its currency is the euro of 100 cents. The UK has no double taxation treaty but does have a tax information exchange 91agreement of 2014.
monandry	State of having one husband.
Monagasque	Pertaining to Monaco .
monarch	Sole hereditary head of state.
monetarism	(1) Accounting principle that the accounts only reflect items to which a value in money terms may be ascribed. (2) Economic principle that markets determine economic policy. Monetarism is the economic principle behind Thatcherism, which replaced the previous policy of Keynes.
monetary	Related to money or capable of being expressed as an amount of money.
monetary assets	Assets to which a monetary value can be ascribed.
monetary attributes	Term used in FRS 18 para 6 in defining measurement bases . The term basically means the value of an item in the accounts.
monetary base control	The stock of cash that an economy has. i.e. the level of notes and coins. The closest measure of the money supply that we have to this in the UK is M0. Some Monetarists argued that the level of the money supply in the economy could be controlled by strict control of the monetary base. By tightly limiting the level of notes and coins available, financial institutions would be unable to expand their assets too quickly. They would have to be sure they had enough cash to operate. This process is known as monetary base control.
monetary items	Assets and liabilities to which a value in money can be ascribed. "Units of currency held and assets and liabilities to be received or paid in a fixed or determinable number of units of currency" ((FRS 102 glossary).

monetary limit	<p>Any limit expressed as an amount of money.</p> <p>The term is particularly used for the limit for long-life assets for capital allowances (Capital Allowances Act 2001 ss97-100).</p>
monetary policy	<p>“The regulation of money supply and interest rates by a central bank, such as the Bank of England, to achieve economic objectives” (HM Treasury glossary).</p>
Monetary Policy Committee (MPC)	<p>Committee of nine people chaired by the Governor of the Bank of England. It is independent of the government.</p> <p>It meets monthly to set the level of interest rates in the economy. They set interest rates according to the targets they have been set for inflation. If they feel inflation is set to rise they may increase interest rates and vice-versa.</p>
monetary value	<p>Amount something is worth as expressed as an amount of money.</p>
monetise	<p>Give a monetary value to.</p>
monetising debt	<p>In economics, paying off part of the nation debt by quantitative easing (commonly known as printing money). This can lead to inflation.</p>
money	<p>Means of exchange and store of value.</p> <p>In 1875, the English economist William Stanley Jevons (1836-1882) also saw it as a measure of value and a standard of value. The four functions were summarised in the couplet:</p> <p style="text-align: center;"><i>Money's a matter of functions four, A medium, a measure, a standard, a store.</i></p> <p>Within a defined area, money takes the form of currency which may be regarded as legal tender.</p> <p>Sometimes the word is used in a narrower sense, such as to mean banknotes and coins rather than sums in a bank account. The word can also be used in a broader sense to mean wealth, including illiquid assets. In economic terms, the various measures of money are indicated as M0, M1, M3 etc.</p> <p>For VAT, “money includes currencies other than sterling” (Value Added Tax 1994 s96(1)).</p>
money advice	<p>Professional or expert advice offered to a debtor in relationship to a debt payment programme in Scotland (Debt Arrangement and Attachment (Scotland) Act 2002 s3). A debtor may not enter such a programme until he has received money advice.</p>
money at call	<p>Money which a lender can demand at will.</p>
money at call and short notice	<p>Balance in an account to which the owner may have access immediately or within 14 days.</p>
money-bag	<p>Bag designed to carry or store banknotes and coins.</p>

money bill	Public Bill in Parliament that the Speaker of the House of Commons has certified contains only provisions dealing with finance and taxation (Parliament Act 1911 s1). The House of Lords has limited powers to amend such a Bill.
Money Box	Programme broadcast on Radio 4 since October 1977 that discusses personal finance.
money box	A receptacle for saving money, particularly coins. It is either used for personal savings or to collect for a charity.
moneyboxing	“Where the shareholders of a company retain profits in excess of the company’s commercial needs and so receive these profits as capital when the company is eventually liquidated” (HMRC consultation on company distributions, 9 December 2015).
money broker	Dealer operating in the interbank and foreign currency markets.
moneybroker dealer	Before 6 April 2006 (when the normal pension retirement age was 60), such a person was allowed to retire on a full pension at the age of 50.
money debt	<p>Term used for rules on loan relationship. It is defined in Corporation Tax Act 2009 s303.</p> <p>In relation to exchange gains and losses, it is defined in Corporation Tax Act 2009 s483.</p> <p>In relation to savings income, “is a debt arising from a transaction for the lending of money and which falls to be, or may be, settled —</p> <ul style="list-style-type: none">(a) by the paying of money, or(b) by the transfer of a right to settlement under a debt which is itself a money debt, subject to the qualifications in regulation 17” (Importing of Savings Income Information Regulations SI 2003 No 3297 reg 2(2)).
money earnings	Term used in Income Tax (Earnings And Pensions) Act 2003 s18 in relation to salaries and wages paid in money rather than in benefits in kind .
money flow index (MFI)	In investment, a technical analysis term to indicate the volumes of money flowing into and out of a market. A divergence between money flow index and price trend can warn of a trend reversal.
money laundering	<p>Any process which is designed to take dirty money (such as from crime) and make it look clean. It is a crime not to report suspicion of money laundering.</p> <p>Proceeds of Crime Act 2002 s340(11) extends this to include attempts, conspiracy, incitement, aiding, abetting, counselling and procuring of the offence.</p>
money laundering	Process of turning dirty money into clean money , such as taking proceeds from drug trafficking or terrorism and making it appear as coming from a legitimate source. There are strict laws designed to counter laundering.

money laundering offence	Offence under money laundering regulations. A full definition is given under Proceeds of Crime Act 2002 s447(9).
money lender	Person who lends money as a business by charging interest. Such a business requires a licence under Consumer Credit Act 1974.
money lying idle	Money which is not being used, such as by being employed in a business or earning interest.
money machine	<p>(1) Term used in Treasury management to describe something which is guaranteed to produce profits. Even if such a money machine were invented, it would quickly be killed off by investors flocking to it. Money machine is often used to mean arbitrage.</p> <p>(2) Device which supposedly produces money, such as printing notes from plain paper, and sold to the gullible. They all work by hiding a real bank note or coin in the mechanism.</p>
money making	Description of an activity which is undertaken to generate a profit.
money market	Any market where money may be borrowed and lent, usually for a short term.
money market fund	Investment fund which invests only in money market activities.
money market instrument	Short-term investment which can easily be turned into cash.
money of account	Measure of currency that does not exist in physical form as a note or coin, such as the UK guinea or the US mill .
money order	Document which can be used for sending money through the post. It is similar to a postal order . The service is offered by several companies.
money purchase	Another name for a defined contribution pension scheme.
money purchase arrangement	<p>An arrangement is a money purchase arrangement if, at that time, all the benefits that may be provided to or in respect of the member under the arrangement are cash balance or other money purchase benefits.</p> <p>The term is defined in Finance Act 2004 s152(2).</p>
money purchase benefits	<p>Benefits provided under a pension scheme, the rate or amount of which is calculated by reference to an amount available for the provision of benefits to or in respect of the member (whether the amount so available is calculated by reference to payments made under the scheme by the member or any other person or employer on behalf of the member, or any other factor).</p> <p>The term is defined in Finance Act 2004 s152(4).</p>
money-purchase input sub-total	Terms defined in Finance Act 2004 s227C as inserted by Taxation of Pensions Act 2014 s 65(1) with effect from 6 April 2015.

money purchase scheme	Pension scheme where the pension is based on the value of the fund accumulated. It is also known as a defined contribution scheme .
money rates	Rates of interest for lenders or borrowers.
money scrivener	Old term for someone who undertakes financial transactions for clients.
money service business (MSB)	Business which handles money, such as a bureau de change or third party cheque clearer and is not covered by other provisions. From 1 June 2002, an MSB must register with HMRC under laws on money laundering .
money-spinner	Idea that leads to the accumulation of wealth.
money supply	Total amount of money in the economy at any time. There are many measures from narrow money (designated M0) which measures notes and coins, to M4 which includes all deposits held in banks and elsewhere.
money's worth	<p>Employment</p> <p>Tax term used in Income Tax (Earnings And Pensions) Act 2003 s62(3) to mean the taxable value of a benefit in kind. Something that is used as a substitute for money, such as when gold bars or gilts are used to pay employees. For tax purposes, such items are treated in the same manner as cash rather than as a benefit in kind. In some contexts, such items are known as readily convertible assets.</p> <p>The inspectors' manual at EIM 00570 explains that the item must be worth money to the employee or be capable of being turned into money by the employee. For the latter, the manual says that the scope is wider than selling the item; it includes rent or hire. So a company car provided to an employee who is banned from driving is still a taxable benefit in kind.</p> <p>Assisted areas</p> <p>Provisions relating to tax relief in assisted areas is given in Income Tax (Trading and Other Income) Act 2005 s28A as inserted by Finance Act 2016 s71.</p>
money transmission	Process of transferring funds.
money will make the mare go	Old saying meaning that money can achieve anything. It comes from a line in an old ballad.
Mongolia	Eastern country between Russia and China. Its currency is the tugrik of 100 mongo. The UK has a double taxation convention of 1996.
monies	Old term, still sometimes used for legal purposes, meaning amounts of money.
Monitor	Name given to the Independent Regulator of NHS Foundation Trusts under Health and Social Care Act 2012 s61(1).

monitor	(1) Oversee by periodically checking; a person who does this. (2) Screen for a computer.
monitoring scheme	Fees paid to such a scheme under Protection of Vulnerable Groups (Scotland) Act 2007 may benefit from a tax exemption under Income Tax (Earnings And Pensions) Act 2003 s326A from 6 April 2010.
monkey	(1) Endangered animal. The importation of the animal or its products is generally prohibited under the CITES convention . (2) Slang for £500 or \$500.
monocoque	Vehicle design where the chassis is integral to the bodywork.
monoculture	The growing of only one crop.
monogamy	Marriage to one husband or wife at a time.
monogram	Artistic device whereby initial letters are interwoven.
monogyny	Marriage to one wife at a time.
monomial	Algebraic expression of one term only.
Monopolies and Mergers Commission (MMC)	Body entrusted with investigating possible monopolies, and with some other functions such as control of newspapers. It was administered under Fair Trading Act 1973. On 1 April 1999, it was replaced by the Competition Commission , which itself has been replaced by Competition and Markets Authority.
Monopoly	Trade name for a board game in which players compete to own property and bankrupt other players.
monopoly	Supply by one person, who is then a position to dictate prices in a manner which may not be in the interests of competition. Under Fair Trading Act 1973 ss6-7, a monopoly existed when a supplier controlled at least 25% of the market. Control by two people is called duopoly , control by a small number of people is oligopsoly . Where one, two or a small number people control the <i>markets</i> or demand, the terms are respectively monopsony, duopsony and oligopsony.
monopsony	When a market has one customer.
monosodium glutamate	Flavour enhancer. When supplied alone, it is standard-rated for VAT. It is not zero-rated as food because it has no nutritional value (VAT notice 701/14).
Monte Carlo	Administrative area of the principality of Monaco , famous for its casinos.

- Monte Carlo simulation** Mathematical method for determining an outcome when a problem can be defined but not calculated.
For example, a business may know the probability of certain eventualities happening and the outcome of each eventuality. The eventuality may be allocated a series of numbers, so a 40% probability could be represented by the numbers 1 to 40, and another 23% probability by the number 41 to 63, and so on.
Random numbers are then used to consider what happens. This process is repeated until a consistent pattern emerges.
In tax, its most likely use is to test the credibility of a pattern of trading.
- monte di 97imil** Italian term for a state pawnshop.
- montem** Old Custom of Eton college to extract money from passers-by.
- Montenegro** East European country which became independent from Yugoslavia in 1996. It is not a member of the European Union but its currency is the euro of 100 cents. The UK double taxation convention of 1981 with Yugoslavia continues to apply.
- Montserrat** UK Overseas Territory near St Kitts and Nevis. The currency is the East Caribbean dollar.
- month**
General
One of 12 periods into which a year is divided.
The calendar month normally comprises these months in order with the number of days as stated:
January 31 May 31 September 30
February 28 or 29 June 30 October 31
March 31 July 31 November 30
April 30 August 31 December 31
February normally has 28 days, except in **leap years** when it has 29.
- Customs*
For certain Customs purposes, a month is a period ending on the last Sunday of a calendar month or any other period HMRC may specify.
- Legislation*
In legislation, the term "month" usually means a **calendar month** unless otherwise stated. For example, month "means calendar month" (Interpretation Act 1978 Sch 1). This provision has applied since 1850.
A time limit of one month therefore means by one less than the day in the following month. This is known as the **corresponding day rule**. This has been demonstrated in cases such as *re O'Connor Utilities Ltd [2009] EWHC 3704 (Admin)* where it was held that the time of one limit specified in Customs and Excise Management Act 1979 Sch 3 para 3 from 4 November 2008 expired on 3 December 2008. The consequence was that a notice served on 4 December 2008 was held to be late.

Tax month

A **tax month** is from the 6th day of a calendar month to the 5th day of the next calendar month.

A **lunar month** is a period of four weeks.

month end	End of a calendar month, when accounts may have to be drawn up.
monthly assessment	A direct tax combining elements of subsidy, forced loan and ship money charged between 1642 and about 1700.
monthly business survey	Survey required by Office for National Statistics from a random selection of businesses for the purposes of producing business statistics, particularly index of production (IOP) and gross domestic product (GDP). Participation is compulsory under Statistics of Trade Act 1947.
monthly PAYE threshold	Amount that a monthly paid worker may earn before becoming liable to have income tax deducted under the PAYE scheme. (PAYE Regulations SI 2003 No 2682 reg 9(8)). The amount is one twelfth of the personal allowance.
monthly return	Return, particularly of VAT, which is made once a month.
monthly standard allowance	Basic amount of universal credit that is paid to a claimant. It may be supplemented in respect of children, disability and housing costs.
Montserrat	Small Caribbean island administered by the UK. The UK has a double taxation arrangement of 1947 amended by an arrangement of 2009.
MOO	(1) Market-on-opening. (2) Mutuality of obligation.
Moody's	Company which provides widely used credit ratings.
moolah	Slang term for money. It can be spelled without the final H.
moonlighter	Person who works in a second job. The term comes from those who worked at night. HMRC uses the term to mean a person whose second job is not known to the tax authorities, as against a ghost who is a person not known to them at all.
moonshine	Illicitly produced liquor.
Moore, John	English Conservative politician (1937-) who was Secretary of State for Social Security from 13 June 1987 to 23 July 1989.
Moore Ind App	Moore's Indian Appeals, law reports of Privy Council hearings from 1836 to 1872.

mooring	<p>Tying or otherwise securing a boat to dry land.</p> <p>For VAT, this is generally a standard-rated supply, even for a houseboat. Further guidance for ships is contained in VAT leaflet 744c, and for houseboats in leaflet 701/20.</p>
moot	<p>Description of an issue on which there is more than one view that can be discussed. The term can also mean the discussion or forum for discussion.</p>
MOP	<p>ISO code for Macua pataca.</p>
MOP\$	<p>Abbreviation: pataca, currency of Macau, a special administrative region of China.</p>
moped	<p>Motor-assisted bicycle.</p>
mopping up	<p>Description of any provision that deals with matters not otherwise addressed. Schedule D Case VI was seen as a mopping up provision for income tax not assessable under other schedules or cases.</p>
Mor	<p>Morison's Decisions, series of law reports from 1540 to 1808.</p>
moral	<p>A precondition for a legally binding contract is that it must be for a moral purpose.</p> <p>This has been used to void contracts relating to gambling or to sexual immorality.</p>
moral certainty	<p>Likelihood that is great enough to be acted upon though it cannot be proved.</p>
moral hazards	<p>Risks which derive from trying new and innovative ideas, particularly by a bank.</p> <p>The term was coined in 2007 by the Bank of England to describe the problems encountered by Northern Rock in borrowing heavily from lenders affected by the sub-prime lending crisis. The Bank of England's view was that it should not provide more support against moral hazards as this could encourage banks to take greater risks.</p>
morality tax	<p>Term used from the 1960s to 1980s to describe the tax disadvantages that a couple could suffer by marrying, as compared with living together.</p> <p>There are still disadvantages of marriage, particularly for social security.</p>
moral obligation	<p>When a person is obliged to do something because of the requirements of honourable conduct rather than because of any legal requirement.</p> <p>A moral obligation may arise when a person has promised something but not completed the legal formalities.</p>
moral rights	<p>In relation to copyright, means the right of a creator of the work to be identified as such, and not to have his work subjected to derogatory treatment (Copyright Designs and Patents Act 1988 s77).</p>

moral test	Test used by the Irish court in <i>Hayes v Duggan [1926]</i> where the Irish Supreme Court held that profits from illegal fruit machines could not be taxed because it was immoral for the state to profit from what it forbids. This view was specifically disavowed in the UK, particularly in <i>Mann v Nash [1932]</i> . The matter is discussed in the Inspectors' Manual at BIM22008.
moratorium	Temporary cessation of payments while a company in difficulty attempts to sort itself out. This is now permitted in UK insolvency law under Insolvency Act 1986 s1A. In the USA, this is permitted under chapter 11 .
moratorium period	In relation to recovering proceeds of crime, means a period of 31 days from when a nominated officer is given notice that consent for certain acts has been refused (Proceeds of Crime Act 2002 s336(8)).
moratur in lege	Latin: he tarries in the law. A demurrer.
morbidity	Relative incidence of disease and accidents in a well-defined class or classes of persons.
morbidity table	Actuarial statistics showing the frequency and duration of a sickness.
MORC	Mineral Oils Relief Centre , a department of HM Revenue and Customs.
mores	Customs or manners of the time.
more than 50% test	Requirement in tax law that replacement expenditure for an integral feature qualifies for a capital allowance, provided that more than 50% of the asset is replaced within a 12-month period.
more than one document	Principle of stamp duty that, where a transaction is given effect by two or more documents, only one document needs to be stamped.
more than one transaction	Principle of stamp duty that a document must be stamped more than once if it gives effect to more than one stampable transaction (Stamp Act 1891 s3(2)).
morganatic marriage	Marriage between two people of unequal rank.
Morgan Crucible v Hill Samuel	Court case of 1990 on professional liability which held that a liability can be owed to a third party when documents are prepared knowing that the third party will rely on them.
morgen	Unit of land measure used in Netherlands, South Africa and some other places. It is a little over two acres.
morning	Part of the day before noon.
morning break	Traditional break from work typically around 11am.

Morocco	African country. Its currency is the dirham of 100 centimes. The UK has a double taxation convention of 1981.
Morses Club	Company that specialises in doorstep lending.
mortality tables	Tables indicating how long people are expected to live according to their sex and current age. They are also known as actuarial tables or life expectancy tables .
mortgage	<p>A secured loan used to buy a fixed asset, most commonly a domestic home.</p> <p>There are three main types of mortgage:</p> <ul style="list-style-type: none">• repayment mortgage – the borrower pays off the loan by instalments of capital and interest so that after the agreed period you have paid off all the loan• interest only mortgage – the borrower pays only interest on your mortgage and make other arrangements to repay the capital, like an endowment policy.• flexible mortgage allows a borrower to make overpayments and take payment holidays. <p>Restrictions on charities obtaining mortgages are given in Charities Act 2011 s124.</p>
mortgage agreement in principle	An expression of a lender's willingness to grant a mortgage subject to conditions such as a credit check and property valuation.
mortgage-backed bond	<p>Tradeable bond that paid interest according to a package of mortgages represented by the bond.</p> <p>They were a significant element in the economic crisis of 2008-10 when many of the underlying mortgages proved to be worthless.</p> <p>~</p> <div style="border: 1px solid black; padding: 5px;"><p>They were constructed by an investment bank buying a portfolio of mortgages from an originator. A servicer would also be hired to handle the contact with the individual mortgagees, and the costs would be deducted from the interest paid to the bond holders. All other economic proceeds were paid through to the bond holders, who were in essence providing the mortgages. The structure created a new asset class and allowed investors to lend mortgages without having to set up a bank, hire staff, create a brand, and build branches. It greatly lowered the cost of mortgages and made them more available, but was very vulnerable to agency problems. <i>(Beyond the Crash, by Gordon Brown MP, published by Simon and Schuster Ltd)</i></p></div>
mortgage bond	Certificate which established the existence of a mortgage.
mortgage broker	Business that arranges mortgages without being a party to them.
mortgage debenture	Debenture which can be recovered by selling the borrower's property.
mortgage deed	The legal document that is signed to say that the lender has a legal charge over the borrower's property.

mortgagee	Person to whom property is mortgaged, the lender.
mortgage famine	Period when it is difficult to obtain a mortgage.
mortgage indemnity	Insurance taken out by a mortgagor to protect the lender should the property be repossessed and sold for less than the outstanding mortgage. It should be noted that this indemnity protects the lender and not the borrower.
mortgage indemnity fee	Addition to a mortgage indemnity premium when the sum borrowed exceeds the ratio for a normal mortgage indemnity. The fee is, in effect, a second premium.
mortgage indemnity policy	Insurance policy of mortgage indemnity that protects the lender.
mortgage indemnity premium (MIP)	Insurance that covers the lender in case your property is repossessed and the lender cannot get the money.
mortgage interest relief	<p>Tax relief that was available for ordinary mortgages before 6 April 2000.</p> <p>Originally, relief was given for any amount. This was capped at £25,000 from 6 April 1974, increased to £30,000 from 6 April 1983. Chancellor Nigel Lawson's autobiography reveals that he resisted pressure from Margaret Thatcher to raise this limit to £35,000.</p> <p>From 1 August 1988, the limit applied to the property and not to the borrower.</p> <p>From 6 April 1983, relief was given at source at Mortgage Interest Relief at Source (MIRAS).</p> <p>Tax relief was restricted to the basic rate of income tax from 6 April 1991, to 20% from 6 April 1994, to 15% from 6 April 1995, and to 10% from 6 April 1998 until abolition in 2000.</p> <p>In 1974, the restrictions on the purpose of a qualifying loan were introduced. Before 1969, almost all interest payments were tax-deductible.</p>
Mortgage Interest Relief at Source (MIRAS)	<p>The mortgage lender will reduce the monthly payment required from a borrower by the amount of tax relief applicable to the interest on the loan. The lender can claim the balance from the Inland Revenue. It was abolished in 2000.</p>
mortgage life insurance	Life insurance policy that pays off the balance of a mortgage on the death of the mortgagor.
mortgage payment protection insurance	Another name for mortgage protection policy .
mortgage protection policy	<p>Life insurance policy where the sum insured relates to the balance owed on a mortgage. Such a policy is often insisted on by the mortgagee as a condition of granting the mortgage. The premium is often low.</p> <p>It is often not realised that the proceeds of such a policy would go to the bank and not to the mortgagor. It should also be remembered that the sum</p>

insured usually reduces each year, and it is only payable in respect of the first death.

Such a policy is no substitute for life assurance.

mortgage rescue	Scheme which allows a mortgagor to sell all or some of his interest in the home and continue living there as a tenant.
mortgagee	Person to whom a property is mortgaged, such as a bank or building society.
mortgagor	Person who mortgages a property, the owner or occupier.
mortmain	Land once held inalienably by ecclesiastical or other corporations.
Morton's fork	<p>Test for which there is only one outcome.</p> <p>The term comes from John Morton (c1420-1500) who was Archbishop of Canterbury and a minister of Henry VII. He raised taxes by using the argument called a fork. If people appeared rich, they could afford to pay. If people appeared poor, they were obviously concealing their wealth and could afford to pay.</p>
mortuum vadium	Mortgage.
moshav	Agricultural settlement in Israel.
Moslem	Alternative spelling of Muslim .
MOSS	Mini One Stop Shop , term used for VAT.
most active	In investment, description of securities that had the greatest number of trades for a defined period.
most recent return	For real time information for PAYE, this term is given a specific meaning in PAYE regulations SI 2003 No 2682 s67G(6).
MOT	Compulsory annual test for most mechanical road vehicles that are at least three years old. It is not possible to pay vehicle excise duty for a vehicle that needs an MOT test but does not have one. The letters originally stood for Ministry of Transport.
MOT certificate	Document confirming that a vehicle has met the requirements of an MOT test.
mothballed	<p>Description of an asset that is no longer needed, but is put into storage for possible later use or sale. The term became common in the second world war in relation to ships.</p> <p>The term originates from the older practice of storing old but still wearable clothes with mothballs. These give off a gas that is toxic to moths which would otherwise eat the cloth.</p>

motherboard (mobo)	The main circuit board of a computer that contains the slots and sockets which interfaces, drives and peripheral devices plug into. On most PCs, memory can be directly added to the motherboard and you may also be able to upgrade to a faster PC by replacing the CPU. Motherboard is sometimes abbreviated as mobo.
Mothering Sunday	Sunday in Lent when it was traditional to allow servants time off work to visit their mothers.
mother-in-law	The mother of one's husband or wife.
motion	Formal proposition put to a general meeting or other collective body which then votes on whether to adopt the proposition. Company law refers to motions as resolutions .
motivation	Matching an employee's objectives to the employer's to maximise productivity. It is one of the main functions of human resources management .
motor caravan	For VAT, this does not come within the scope of a zero-rated caravan (VAT leaflet 701/20).
motorcycle	Two-wheeled vehicle with an engine. For the purposes of driving licence, they are divided into four categories: <ul style="list-style-type: none">• mopeds (up to 50cc)• light motorcycles (up to 125cc and 11kW)• motorcycles to 25kW;• larger motorcycles. These may be driven by qualified drivers who must be 16, 17, 17 and 21 respectively. An employee who uses his or her own motorcycle for work may be reimbursed at 24p a mile tax-free.
motorcycle rider	A motor cycle rider may retire on a personal pension at the age of 40, 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).
motor home	Vehicle which has facilities for everyday living, such as facilities for eating and washing. Provided the vehicle is not more than 12 metres in length and 2.55 metres wide, it may be driven by the holder of an ordinary car driving licence provided the weight limit is not exceeded. For VAT, this does not come within the scope of a zero-rated caravan (VAT leaflet 701/20).

motor insurance

General

Insurance of a car, its driver and passengers, and against third parties who may be injured or killed by the car.

Legal requirement

Since 1930, it is a legal requirement that a car may only be driven if **third party insurance** is in place (Road Traffic Act 1988 s143(1)(a) as amended). In practice, almost all third party insurance sold exceeds the statutory minimum.

This insures against death and injury to third parties and passengers, and against damage to third party property. There is no statutory requirement to insure the car itself, the driver or third parties or their property on private land.

Other types of policy

Third party, fire and theft is the common name for a policy that also insures the car against theft (but not usually against vandalism) and against fire whether caused by arson or from mechanical failure.

Comprehensive insurance also adds damage to the vehicle caused by the driver, and other damage to the vehicle from third parties.

Some policies add further cover for legal expenses, a courtesy car, protection should the car be damaged by an uninsured driver and breakdown cover.

Vehicle excise duty implication

A disc evidencing **vehicle excise duty** (road tax) for the year cannot be bought unless there is evidence that the vehicle has at least the statutory insurance.

When an employer pays the insurance for a company car, there is no additional taxable benefit in kind.

Motor Insurers' Bureau (MIB) The Motor Insurers' Bureau is a body funded by motor insurance companies, which deals with claims for injury compensation when the driver at fault is not insured, or cannot be traced.

motor racing driver

A diver 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)

motor spirit duty

Tax which was first imposed in 1909 at 3d per gallon (on the current price of 6d) on petrol.

This tax is now known as **hydrocarbon oil duty**.

motor tricycle

Vehicle with three wheels and an engine. A driving licence is needed to drive it, though if it has an unladen weight of up to 550 kilograms, it is regarded as a **light vehicle**.

motor vehicle	For the purpose of road transport permits, “means a mechanically-propelled vehicle which is intended or adapted for use on roads” (Haulage Permits and Trailer Registration Act 2018 s1(5)).
motorway	Road designed for fast-moving traffic. It has no traffic lights, roundabouts or similar. Many types of vehicle are banned from using a motorway.
MOTPO	Mechanical output, total power output. This abbreviation is used in Climate Change Levy (General) Regulations 2001 Sch 3.
MOT reminder service	Free service launched on 13 November 2017 whereby a motorist can register his or her car, and receive online reminders from DVLA 4 weeks and 2 weeks before the MOT is due. It will also issue alerts if the MOT expires.
motser	Australian slang for a large amount of money won from gambling.
motu proprio	Latin: of one's own motion.
MOU	Memorandum of Understanding.
ounce	Metric ounce, defined as being 25 grams.
mouse	<p>Computer device used to move a cursor round a screen to select functions.</p> <p>A mouse detects movement on a pad, either from a ball or (for more modern mice) a light beam. The movement of the mouse on a mat is mirrored by a cursor on the screen.</p> <p>A click on the button, or left button where there are two, selects the desired item. A click on the right button selects a different range of options. A double click usually opens a file. Pressing down on the button and moving the mouse before releasing it drags an icon on the screen.</p> <p>A mouse may also have a wheel which can scroll down items.</p> <p>The name comes from its superficial similarity to the animal.</p>
mouse mat	<p>Small mat for use with a computer mouse.</p> <p>The mat has a shiny surface for use with a light mouse, or a rougher surface for those that use a ball.</p>
moveable building	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.
moveable property	Chattels and other possessions which can be moved, as against land and buildings.
moveables	Furniture, books and other goods that may be easily transported.
moveables tax	Tax charged in 1489 and 1490. It complemented the direct subsidy. It was levied on moveable items other than personal possessions and sea ships.

Individuals were assessed in the place "where they were most conversant".

moving average

In statistics, a process of eliminating short-term variances in a series to show the underlying trend. This is done by taking averages of short series and plotting those averages. For example, taking the average of the current month's figure and the two previous months could give a better indication of an underlying trend.

moving to a higher cost housing area

Before 6 April 1993, an employer could make a tax-free contribution to an employee who moves to an area where housing is more expensive. The figure was related to a scale used in the Civil Service. The last figure (from 1 November 1991) was £18,060.

An employee may now instead be paid a tax-free allowance for **relocation**.

moving walkway

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 (Capital Allowances Act 2001 s33A).

mowing machine

Road vehicle which is category K on the driving licence.

It is also an exempt machine for the purposes of oil duty: "a mowing machine is an exempted vehicle" (Hydrocarbon Oil Duties Act 1979 Sch 1 para 6).

Mozambique

African country. Its currency is the new metical of 100 centavos. The UK has no double taxation treaty.

MP

Member of Parliament, for whom there are some special tax provisions.

MPA

Major Projects Authority.

MPAA

Money purchase annual allowance.

mpg

Miles per gallon.

mph

Miles per hour.

Mr

Title used before the name of an adult man.

MR

(1) Master of the Rolls, senior judge who presides at Court of Appeal.
(2) Main rate, of corporation tax.
(3) Abbreviation: Malaysian ringgit, currency of Malaysia.

MRO

(1) **ISO code** for Mauritanian ouguiya.
(2) **Market rent only**.

Mrs

Title used by a married woman.

Mrs Doyle

Character in the television comedy series *Father Ted* played by the actress Pauline McLynn (1962-).



In the series, she is a batty old housekeeper who routinely says, “ah go on, go on, go on”. From 2001 to 2003, she was used in television advertisements by Inland Revenue to encourage people to “ah go on” and complete their tax returns.

MS

Multiple sclerosis. Common abbreviation for sick notes (HMRC leaflet E14).

Ms

Title used for a woman who prefers not to indicate whether she is married.

ms

Manuscript.

M&S

Maule and Selwyn's Reports, law reports of King's Bench Division from 1813 to 1817.

[This is also the abbreviation for the company Marks and Spencer.]

MSB

Money service business.

MSCI World

Index of world share prices produced by Morgan Stanley Capital International. It draws share prices from 24 countries.

MSC

Managed service company.

MSCI

Morgan Stanely international index of market movements.

MSC provider

“A person who carried on a business of providing or facilitating the use of companies to provide the services of individuals” (Income Tax (Earnings And Pensions) Act 2003 s61B(1)(b)).

MSF

Most Similar Force(s), military term.

MSP

Member of the Scottish Parliament.

MT

(1) **Country prefix code** for Malta.

(2) Abbreviation: new metical, currency of Mozambique

(3) Symbol used to mark a cylinder or other container that is empty.

MTA	Mirrored terms agreement.
MtCO₂	Million tons of carbon dioxide.
MTD	Making Tax Digital.
MTF	Multilateral trading facility.
MTIC	Missing trade fraud , also known as missing trader intra-community fraud.
MTM	Mark to market.
MTN	Medium-term note.
mu	Greek letter equivalent to M. Its lower case is μ , which is used in abbreviations to mean a millionth of a metric unit. The letter denotes 40 in classical Greek. It is pronounced "mew".
mucker	Old colloquialism for a money-grubber.
muckle	Old Scots term meaning a large amount.
mudaraba	Limited partnership and profit sharing under Sharia law. [This is sometimes spelled mudharabah.]
mudharabah	Alternative spelling for mudaraba .
mud money	In acting, payment to extras who are unable to work because the ground is too muddy.
mufawada	Joint venture partnership under Sharia law.
mufti	Ordinary dress of a worker who normally wears a uniform.
mugging	Colloquial name for the crime of assault for the purpose of robbery.
mugshot	Colloquialism for a photograph of a person's face for such use as sales literature or annual reports.
mugwump	Derogatory term for a person who sees himself or herself as important. The term originally meant an Indian chief.
muid	Old French measure of capacity equal to three bushels.
mulatto	Person born to one black and one white parent, a half-cast. This term is no longer considered politically correct.
mulct	Fine, penalty or swindle.

mule	<p>Cross between a donkey and a horse. The animal is traditionally stubborn and cannot breed. It is used as a beast of burden.</p> <p>By extension, this term has acquired other meanings.</p> <p>For Customs, the term means someone who smuggles in drugs, usually by swallowing them.</p> <p>For coins, it means a coin where the reverse and obverse do not match. Some 20p coins were issued in 2009 without the date for this reason.</p>
mulier	<p>Latin: wife.</p>
multicollinearity	<p>In statistics, a high degree of correlation between several variables.</p>
multicurrency	<p>Description of an account which is recorded in more than one currency.</p>
multi-employer (benefit) plans	<p>“Defined contribution plans (other than state plans) or defined benefit plans (other than state plans) that:</p> <ul style="list-style-type: none">(a) pool the assets contributed by various entities that are not under common control; and(b) use those assets to provide benefits to employees of more than one entity, on the basis that final contribution and benefit levels are determined without regard to the identity of the entity that employs the employees concerned” (FRS 102 glossary).
multi-jobber	<p>Person with more than one job. This can be financially beneficial as the person has the benefit of the earnings threshold for national insurance in each job.</p>
multilateral	<p>Between more than one person, business or country.</p>
Multilateral Debt Relief Initiative	<p>Programme launched in 2005 to provide further debt relief to countries whose loans have become unpayable. Its main provision is to write off 100% of loans owed to the World Bank, IMF and African Development Bank.</p>
multilateral development bank	<p>“An international financial institution having as one of its objects economic development, either generally or in any region of the world” (International Development Act 2002 s11(2)).</p>
multilateral netting	<p>Financial method of aggregating sums from different sources into one currency. It is used by banks operating in different countries.</p>
multimedia	<p>The use of a combination of text, pictures, audio, and or video to communicate information.</p>
multimodal operation	<p>Transport operations where a container or trailer is conveyed by two or more means of transport during a single journey, e.g. by air and then by road.</p>
multinational	<p>Description of a business or other activity that operates in several countries.</p>

multiple	<p><i>Arithmetic</i></p> <p>A number which is achieved by multiplying another by an integer. So the multiples of 5 are 5, 10, 15, 20 etc.</p> <p><i>Statistics</i></p> <p>In statistics, the number of ways a decision may be made when duplication is permitted and order is unimportant. For example, for a three-letter code there are $26 \times 26 \times 26 = 17,576$ multiples.</p>
multiple bet	<p>Bet where any winnings became the stake for another bet. This process is known as the accumulator.</p>
multiple birth	<p>Where more than one baby is born at a time, such as twins or triplets. Only one amount of statutory maternity pay is payable for a multiple birth. There is a separate entitlement to child benefit for each child.</p>
multiple dwellings	<p>A single interest in acquiring more than one dwelling.</p> <p>Under Finance Act 2011 Sch 22, stamp duty land tax may be calculated according to the average value.</p>
multiple dwelling transaction	<p>For stamp duty land tax, a transaction "if its main subject-matter consists of —</p> <ul style="list-style-type: none">(a) an interest in at least two dwellings, or(b) an interest in at least two dwellings and other property" <p>(Finance Act 2011 Sch 22 para 3(4)).</p>
multiple occupancy	<p>When premises are occupied by several unrelated people. The term is not used when a house is occupied by people who are related to each other.</p> <p>Under English planning law, an ordinary residence is not in multiple occupancy unless it has more than five people who are not related.</p>
multiple ownership	<p>When an item of property is owned by more than one person.</p>
multiple PAYE schemes	<p>Situation that arises when one employer operates more than one PAYE scheme. Tax law is given in PAYE regulations SI 2003 No 2682 from reg 98.</p>
multiple promoter	<p>A promoter with more than one set of premises.</p>
multiple regression analysis	<p>In statistics, method for identifying relationships between several sets of data.</p>
multiple site commonhold	<p>A commonhold which involves two or more parcels of land, which need not be contiguous (Commonhold and Leasehold Reform Act 2002 s57(1)).</p>
multiple step income statement	<p>US term for a statement of income and expenditure that provides details of how the totals and sub-totals have been determined.</p>
multiple windows	<p>In computing, when the user has more than one window open at a time.</p>

multiplication	Mathematical process of determining a product achieving by adding a number so many times. The process is indicated by the multiplication sign x. So $6 \times 7 = 42$ means that if you add 6 to itself seven times, you will have 42.
multiplier	<p><i>Business rates</i></p> <p>Amount by which the rateable value of a non-domestic property is multiplied to determine the business rates payable for that year.</p> <p><i>Economics</i></p> <p>A concept developed by Keynes. It says that any increase in injections into the economy (investment, government expenditure or exports) would lead to a proportionally bigger increase in National Income. This is because the extra spending would have knock-on effects creating in turn even greater spending. The size of the multiplier depends on the level of leakages.</p>
Multipurpose Internet Mail Extensions (MIME)	<p>The standard used for attaching files to e-mail messages.</p> <p>This allows audio, video, graphics, word-processed documents and similar to be attached to be sent by e-mail.</p>
multi-skilling	Increase of the skills base of the workforce, by training existing staff in new functions.
multistage sampling	In statistics, a sampling method that starts by identifying representatives whose responses may be regarded as representing the whole population.
multi-tasking	Skill of doing more than one task at a time. The term can apply to multi-skilled staff or to computer software.
multi-tier adviser	Financial adviser who advises on the financial products of a few companies, but not on all companies.
multivariate analysis	Statistical method for handling data with many variables .
multi-year contract	Term used in relation to taxation of corporate members of Lloyd's (Finance Act 2012 s25(4)).
multum	An adulterant in brewing.
multum in parvo	Latin: much into little. A short summary of much detail.
multure	Scots term for a fee, originally for grinding grain.
mum	Form of black beer which is exempt from alcoholic liquor duty (Alcoholic Liquor Duties Act 1979 s4(1)). The word has other meanings.
mumping	Colloquialism for begging or improperly obtaining a financial benefit, particularly when an official takes money for performing a duty he is already obliged to perform. This is made a specific criminal offence under Criminal

	Justice and Courts Act 2015 s26(4).
mundungus	Bad tobacco.
municipal bond	In USA, a bond issued by a local authority.
municipal bond insurance	In the USA, insurance policy that guarantees a mutual bond against non-payment.
municipal note	In the USA, a municipal debt obligation issued by the state or local government and by agencies. Income tax typically has a maturity of less than two years.
municipal waste	“(a) Waste from households, and (b) other waste that, because of its nature or composition, is similar to waste from households” (Waste and Emissions Trading Act 2003 s21(3)).
munificence	Magnificent giving, bountifulness.
Munro	Inheritance tax case that helps to determine whether a gift is a gift with reservation . In particular, the case established the principle of shearing where an outright gift may be made of less than the whole property. The case was a Privy Council case on stamp duty in Australia, but is still regarded as a valid precedent. The full name is <i>Munro v Commissioners of Stamp Duties (New South Wales) [1934]</i> .
MUR	ISO code for Mauritian rupee.
murabahah	Cost-plus form of financial transaction that is an acceptable form of Islamic finance .
mural	Wall painting. Producing murals is not regarded as construction work for the Construction Industry Scheme. A mural may be regarded as plant when used to create ambience .
murder	Crime of the intentional and unlawful killing of a person.
muscovado	Unrefined sugar after evaporating the cane juice and draining off the molasses.
museum	Place to exhibit artefacts for the purpose of learning. Such a body may be able to reclaim VAT under Value Added Tax Act 1994 s33A, even though the museum has not made supplies. The list of bodies is contained in SI 2001 No 2879 Sch. The Treasury may add bodies to and subtract them from this Schedule. The country's leading museums were allowed to charge admission under Museums and Galleries Admission Charges Act 1972 s1. This was amended in 1992 but not repealed, though museums do not charge in practice.

museums and galleries exhibition tax relief

Relief from corporation tax for museums and galleries that engage in exhibitions and touring exhibitions. It is available from 1 April 2017.

The legislation is found in Corporation Tax Act 2009 from s1218ZA.

mushroom kits

For VAT, these are specifically zero-rated as being an item to prepare food for human consumption. A reusable container for this purpose is standard-rated.

It was held that the kit was a mixed supply in *Cheshire Mushroom Farm [1974] VTD 71*.

mushroom-shaped stopper

Stopper shaped like a mushroom, and usually attached to a bottle with wire to keep in the internal pressure of its contents.

If cider is sold in a bottle with such a stopper, it attracts a higher rate of cider duty (Alcoholic Liquor Duties Act 1979 s62A(3)).

music

For VAT, sheet music is zero-rated under Value Added Tax Act 1994 Sch 8 Group 3 whether in bound books or loose. The music may be in any notation, handwritten or printed. However the commission of a work from a composer is not zero-rated. Further details are given in VAT notice 701/10.

Music rolls and blank manuscript paper are standard-rated.

Recorded music is generally standard-rated regardless of how it is provided (eg vinyl records, CDs, downloads).

The VAT tribunal ruled that music does not extend to text about music (*Flip Cards (Marine) Ltd [1996] VTD 14483*).

musical

For the purposes of theatrical productions tax relief, this may qualify as a **dramatic production** if the conditions are met (Corporation Tax Act 2009 s1217FA(2)).

musical work

For averaging of profits, this may count as a **creative work** under Income Tax (Trading and Other Income) Act 2005 s221(3).

music-demy

Old size of paper equal to 20¾ inches by 14 ⅜ inches.

Music Export Growth Scheme (MEGS)

"The Music Export Growth Scheme is designed to make available grants ranging from £5,000 - £50,000 to UK-registered independent music companies to assist them with marketing campaigns when looking to introduce successful UK music projects overseas." (MEGS website)

music group

For VAT, a leader of a music group was held to be liable to register for VAT when the group's takings exceeded the registration threshold. The tribunal rejected his argument that he was acting as agent for other members of the group (*S Dorfman [2003] VTD 18816*).

music roll

Roll of paper or cards containing perforations, designed to operate a fairground organ, player piano or similar musical instrument.

VAT notice 701/10 states that these are standard-rated for VAT and do not benefit from the zero-rating of Value Added Tax Act 1994 Sch 8 Group 3

that covers printed music.

Muslim Adherent of the religion of Islam. There are special tax provisions for **Islamic finance**.

mutatis mutandis Latin: the necessary changes being made.

mutchkin Scottish measure of drink equal to three-quarters of a pint.

mutiny Insurrection or rebellion on a ship at sea.

mutual A commercial organisation owned by its members (as opposed to being owned by shareholders). Examples are building societies and some life insurance companies.
The taxation implications of a distribution of a mutual's assets are given in Corporation Tax Act 2009 s101.

Mutual Assistance Recovery Directive (MARD)
EU Council Directive 2008/55/EC that requires EU member states to assist each other in recovering tax. This is given effect in English law by Finance Act 2002 s134 and Sch 39.

mutual business Corporation tax provisions are given in Corporation Tax Act 2009 s260.

mutual debt When two people each owe money to the other.

mutual exclusivity Tax concept that income that is assessed under one source (or Schedule) cannot be assessed under another.
The principle is set out in BIM14005 and in cases such as *Edon v Ross [1961]*.

mutual fund American term for its equivalent to a UK unit trust.

mutual fund custodian In the USA, a bank or trust company that protects securities held by a mutual fund.

mutual insurance company **Mutual** company that provides insurance.
The tax provisions are given in Corporation Tax Act 2009 s634.

mutuality of obligation (MOO) Obligation of two parties to provide some consideration to each other.
It has been quoted as a factor in determining whether work comes within the scope of employment or self-employment. HMRC does not include it in its **check employment status tool** on the grounds that MOO is a factor in all contracts and therefore does not distinguish between employment and self-employment,

mutually exclusive Description of two options where one precludes the other, usually because there is a common **constraint**. The term is widely used in investment and management accounting.

mutual organisation	<p>A body which is owned by its members and not by shareholders. Examples of mutual organisations include building societies, clubs and similar, professional bodies and mutual insurance companies.</p> <p>There is a tax implication that a person cannot trade with himself, so transactions within a mutual organisation may not be taxable.</p> <p>As mutual organisations do not have shareholders, they do not need to earn a profit and in effect provide that profit to members by means of a reduced charge for services.</p>
mutual savings bank	<p>In the USA, a savings bank that is owned by its members.</p>
mutual society	<p>Form of mutual organisation.</p> <p>Tax provisions for transfer of business between societies is given in Finance Act 2009 s124.</p>
mutual trading	<p>Activities where a company trades with its own members.</p> <p>Such activities do not comprise trading activities (Corporation Tax Act 2009 s633).</p>
mutual wills	<p>When two people each make wills leaving their estate to the other.</p>
mutuum	<p>Bailment comprising a loan of goods for consumption (such as grain or coal) to be repaid as goods of the same kind.</p>
MUUT	<p>Mixed unauthorised unit trust.</p>
Muzak	<p>Trade name for a device that produces background music. Note the spelling; the middle letter is not S.</p>
MV	<p>(1) Motor Vehicle. (2) Market value. This abbreviation is used in Finance Act 2004 s185C.</p>
MV82	<p>Market value as at 6 April 1982, as used for certain purposes in connection with capital gains tax.</p>
MVL	<p>Members' voluntary liquidation.</p>
MVNO	<p>Mobile virtual network operator.</p>
MVR	<p>ISO code for Maldives rufiyaa.</p>
M&W	<p>Meeson & Welsby's Reports, law reports of Exchequer from 1836 to 1847.</p>
M-way	<p>Abbreviation: motorway.</p>
MWK	<p>ISO code for Malawian kwacha.</p>
Mwst	<p>Abbreviation of Mehrwertsteuer, German for "value added tax".</p>

Mx	<p>Form of address for transgender people and others who do not wish to reveal their sex in terms such as Mr and Mrs.</p> <p>The Post Office accepts this form from 2015. HMRC and the Department of Work and Pensions also now accept this title.</p> <p>The title was first suggested in 1977. It was introduced by Oxford University in 2014.</p> <p>It is usually pronounced as “mux”.</p>
MXN	<p>ISO code for Mexican peso.</p>
Myanmar	<p>Eastern country formerly known as Burma. Its currency is the kyat of 100 pyas. UK has a double taxation convention of 1951 still in the name of Burma.</p> <p>Payments of a pension made under Pensions (India, Pakistan and Burma) Act 1955 may be exempt from income tax under Income Tax (Earnings And Pensions) Act 2003 s654.</p>
Mysel great gyld	<p>A form of Danegeld imposed in 1083 and 1084 by William I.</p>
My & Cr	<p>Mylne & Craig's Reports, law reports of Chancery from 1835 to 1841.</p>
Myl & K	<p>Mylne & Keen's Reports, law reports of Chancery from 1832 to 1835.</p>
Myners Report	<p>Report produced by Paul Myners in 2001 on institutional investment. The report identified various distortions to effective 117decision117 making, and made suggestions on how to tackle them.</p>
mynheer	<p>Dutch form of respectful greeting to a man.</p>
MYR	<p>ISO code for Malaysian ringgit.</p>
myria-	<p>Prefix used in metric units. It means 10⁴ or ten thousand.</p>
MZN	<p>ISO code for Mozambique metical.</p>