

7. A minimum limit is updated ..... to allow for.... .
8. The former owner cannot ....from the property he/she gave away.
9. Between the transfer of the assets and the date of death there is a .... of tax to pay.
10. Some legacies are..... .

**Ex.12. Put the appropriate prepositions where necessary.**

1. Individuals do not send statements .... the tax authorities.
2. It is possible to collect wealth tax .... a form ..... tax police.
3. The individual may not want to reveal ..... the tax authorities the full extent ...his/her wealth.
4. The property of the dead is valid ....the date of death.
5. Inheritance tax is not payable .... a certain level.
6. When calculating the tax, they update the minimum limit to allow....inflation.
7. One can avoid inheritance taxes by giving assets ..... .
8. Some legacies – such as .... charities or ....political parties are tax-free.
9. Governments sometimes offer special relief .... business assets.
10. Life assurance policies can be used .... death to pay any tax .... which the individual's estate becomes liable.

**Ex.13. Put the appropriate articles where necessary.**

1. Wealth taxes in .... sense that individuals submit ....statements to .... tax authorities are unusual.
2. ....rate of wealth tax is low.
3. Capital gains tax is, in .... sense, .... form of wealth.
4. On .... whole, .... estate duty is difficult to collect.
5. People do not like to reveal .... full size of their wealth.
6. As with ....most taxes, wealth taxes are not payable below ....certain level.
7. .... norm is ....minimum limit.
8. .... former owner cannot simply give away his/her assets on ....paper.
9. Gifts cannot be given away .... few months before death.
10. Countries impose quite ....lengthy period for .... transfer of assets to become completely tax-free.
11. ...estates of .... relatively less well off usually escape .... tax altogether.

**Ex.14. Explain the meaning of the following fragments in English.**

- the current value of their assets;
- capital gain tax is, in a sense, a form of wealth tax;
- wealth is not easy to track down without almost a form of tax police;
- the deceased's assets are valued on the date of death and the tax calculated accordingly;
- a clear seven years is typical;

- devised the means where the tax can be avoided altogether;
- where this is not the case;
- far more preferable to wealth taxes;

**Ex.15. Open the brackets using the right forms of the verbs.**

1. Most countries (to impose) inheritance tax for many years.
2. Inheritance taxes (to introduce) in the UK in 1894.
3. A minimum (to introduce) annually to allow for inflation.
4. A clear seven years will pass before a transfer of assets (to become) tax-free.
5. If some legacies are for charities or to political parties they (to be) completely free of tax.
6. Life assurance policies (to write) in trust were used on death to pay inheritance tax.
7. The former owner could not benefit from his assets himself as he (to give) them away.

**Ex.16. Read the following phrases, find their infinitive, and translate them into Uzbek paying attention to the function of infinitive.**

must send statements for tax to be assessed, the rate is low so as not to force the individuals to dispose of assets, wealth taxes are difficult to collect, an individual is determined not to reveal his/her wealth, a minimum limit is updated to allow for inflation, it's important to stress, there will be a sliding scale of tax to pay, to avoid the break-up of businesses, governments offer some tax reliefs, life insurance policies can be used to pay any tax

**Ex.17. State in written form brief about “Wealth and Inheritance Taxes”. Use linking and key words from the below.**

In the sense that ....

It is, in a sense, a form of ....

On the whole, ....

Far more preferable to ....

As with all taxes, there may be ....

As with most taxes, there is usually ....

It's important to stress, however, that ....

Furthermore, ....

statement, current value of assets, tax authorities, to impose a low rate of tax, not easy to track down and to collect, to reveal, to impose estate duty, not to be payable, to avoid inheritance tax altogether, to be genuinely given away, to benefit, a lengthy period, transfer of assets, legacy, to offer special relief on business assets

**• Read and translate the text “Corporation Tax” and answer the questions: What is the advance corporation tax?**

## UNIT 22.

### TEXT CORPORATION TAX

Limited companies as well as most other corporate bodies and unincorporated associations, for example, clubs or societies, are liable to pay corporation tax on their profits. However, professional institutions and members' clubs only pay corporation tax on income which is not derived from their members.

Corporation tax is charged in respect of accounting periods, the latter usually coinciding with the periods of account for which the company prepares its accounts. If accounts are made up for a period longer than twelve months, however, the first twelve months constitute one accounting period and the remainder will be treated as another accounting period.

Whenever a company makes a distribution of profits it has to pay advance corporation tax (ACT) to the inland Revenue, based on the net amount distributed. It is a payment on account of the basic corporation tax liability on the profits of the year in which the dividend is paid. This tax is then imputed to the individual shareholder in the form of a tax credit, thus covering his liability to basic rate income tax on the gross amount included in his tax return.

The shareholder will still be liable for higher rate tax, or, on the other hand, can claim a repayment of the tax credit if not liable for tax. The rate of ACT had been fixed at 3/7 for several years but changes whenever there is a change in the basic rate of income tax. (*from "Business Taxation" by Astbury Keith*)

#### Vocabulary list you may need

corporate - корпорацияга оид	distribution - тақсимлаш
association - уюшма	advance – аванс, бўнак
institution – жамият, ташкилот	impute – ёзиб қўшмоқ
derive - олмоқ	credit – солиқ муддатини чўзиш
accounting – ҳисобот бериш	imputation – шартли равишда ёзмок
return – қайтим, тушум	account - ҳисобот
coincide – тўғри келмоқ	liability - мажбурият
remainder – қолган	shareholder – акциядор

#### Ex.1. Answer the questions according to text above.

1. what is the difference between clubs and professional institutions when they pay corporation tax?
2. Can an accounting period for paying corporation tax be longer than twelve months?
3. What is done when the accounting period is, for example, 18 months?
4. What does a company have to do when it distributes profits?

5. Why is advance corporation tax imputed to shareholders in the form of a tax credit?
6. What is the shareholder supposed to do later?
7. What does the rate of ACT depend on?

**Ex.2. Match English and Uzbek equivalents of the following words and word-combinations.**

limited company, unincorporated association, liable to pay corporation tax, professional institution, to charge corporation tax, prepare accounts, constitute one accounting period, a distribution of profits, advance corporation tax, net amount, basic corporation tax liability, tax credit, basic rate income tax, gross amount, tax return, be liable for higher rate tax, claim a repayment

фойдани тақсимлаш, юқори солиқ ставкаси орқали солиққа тортмоқ, солиқ чегирими, қайтаришни талаб қилмоқ, масъулияти чекланган жамият, бир ҳисобот даврини ўз ичига олмоқ, акционерлик корхонасини фойда солиғига тортмоқ, ноакционер жамият, харажатлардан чегирилмаган сумма, касб-хунар ташкилоти, асосий солиқ мажбуриятлари, асосий солиқ ставкаси бўйича даромад солиғини ундироқ, солиқ маблағини қайтармоқ, жисмоний шахслар даромад солиғи, ҳисоботни тайёрламоқ, масъулияти чекланган жамиятнинг тахминий фойда солиғи, харажатлардан чегирилмаган сумма

**Ex.3. Find the sentences with the following words and word-combinations from the text, read and translate them into Uzbek.**

income not derived from members;  
 basic corporation tax liability;  
 claim a repayment of;  
 an accounting period;  
 has to pay advance corporation tax;  
 the profits of the year;  
 are liable to pay corporation tax;  
 corporation tax is charged;  
 shareholder;  
 tax return;  
 claim a repayment;  
 basic rate of income tax;

**Ex.4. Translate the word-combinations and make your own sentences in English.**

to be taxes on profits, to reduce company taxes, in considering company taxation, to encourage industrial development, a separate taxable body, to assess tax, location of the head office, to take different approach to, to set up a subsidiary,

overseas subsidiary, to repatriate profits, to vary greatly, to require to register, to extend close control over, to offer tax exemptions and concessions, to limit the repatriation of dividends, the amount of investment.

**Ex.5. Put the appropriate prepositions where necessary.**

1. Individuals are taxed ..... their income.
2. A company is distinct ....its owners of shareholders
3. Expenses and allowances must be set .....income before tax is imposed.
4. Countries take different approach ....the taxing ....the subsidiaries ....foreign-based companies.
5. Governments impose taxes....the whole of a company's profits worldwide.
6. Some countries do not tax .... the profits of the overseas subsidiaries.
7. The profits are repatriated .... the home country.
8. Tax payments may qualify .....DTR.
9. Many subsidiaries are based .... host country.
10. Some countries have close control ....these enterprises.

**Ex.6. Put the suitable articles where necessary.**

1. ....company is....separate taxable body.
2. ....company's income is not its operating profit.
3. ....question where....company is....resident is very important.
4. Countries have different approaches to ....taxing of....subsidiaries of....foreign-based countries.
5. Some countries do not tax ....profits of ....overseas subsidiaries of their resident companies.
6. ....tax treatment of foreign companies varies greatly.
7. Before going into ....overseas market one should consider ....conditions of ....market.
8. ....home country may retaliate by limiting ....amount of ....investment it is prepared to make.

**Ex.7. Translate the sentences into English.**

1. Компанияларнинг соф фойдасидан тегишли солиқлар ундирилади.
2. Ҳукумат юридик шахслар фойда солиғи ставкасини камайтиришга ҳаракат қилмоқда.
3. Компаниянинг солиққа тортиладиган маблағи билан унинг жисмоний акционерлик аъзолари фойдасига солинадиган хусусиятларни фарқлай олиш лозим.
4. Ривожланган индустриал мамлакатларда муайян компаниянинг филиалларидан ҳам солиқ ундирилади.
5. Айрим давлатларда хорижий компанияларнинг фаолияти қатъий назорат қилинади.

6. Ҳукумат ривожланишда орқада қолаётган айрим ҳудудлар учун солиқ имтиёзларини белгилайди.
7. Агар солиқ имтиёзларидан фойдаланиш тугатилса хорижий кмпанияларнинг фаолияти ҳам тугатилиши мумкин.
8. Солиқ чегирилари хорижий корхоналардан ташқари маҳаллий корхоналарга ҳам берилиши мумкин.
9. Солиқ сиёсатининг адолатлилиги ижтимоий ҳаётда ҳам ўз аксини топиши мумкин.

**Ex.8. Complete the blanks with “as” and “like”.**

1. Special tax treats between countries are known .... Double Tax Relief (DTR) agreements.
2. Interest on savings in the private sector is normally liable for tax, .... additional income at the marginal rate.
3. VAT is imposed ....the value of the product increases at every stage on manufacture.
4. Taxable income is not calculated in the same way in every country, .... well .... a wide range of other income subject to tax.
5. A gain which is generated ....a result of inflation is not a real gain at all.
6. VAT rates have increased ....more and more countries regard VAT .... a ready source of income.
7. Excise duties in tax havens are imposed ....much for social ....for revenue-raising purposes.
8. Excise duties are levied on home-....well....foreign-produced alcohol.
9. Property values may be taken by the authorities ....an indication of the general wealth of the owner.
10. These values may be the yardstick by which local taxes are imposed, ....in the rating system abolished in the UK in 1989.

**Ex.9. Translate the sentences into Uzbek paying attention to the meaning of the words “as” and “like”.**

1. As individuals are taxed on their incomes, companies are taxed on their profits.
2. Like income taxes, company taxes have been falling in recent years, as governments have tried to encourage industrial development.
3. A company is a separate taxable body distinct from its owners as individuals.
4. There are as many tax regimes as there are countries in the world.
5. Indirect taxes on spending have risen, as have the amounts of money raised through National Insurance Contribution.
6. Taxation policy may also reflect social priorities as seen by governments.
7. Tax is then levied at increasingly higher rates as income rises up to a final top rate.
8. The tax payer as well as losing the whole of his or her income after a particular point, also pays a levy on wealth.