**Data - Tags Tags Overview**

The Tags tab is used to create tag groups with the associated tags and also to set up TM and term penalty profiles.

During project creation project managers can define which tag groups and tags are to be used in the project, then any TM generated during the project will automatically contain the tags.

The TM or term penalty profile compares the TM or term in the XTM database that has been selected for the project, to a defined set of criteria and then applies a penalty to the TM or term which meets the criteria.

Applying a TM penalty profile allows project managers the flexibility to control what TM is used for a project and the priority each match is given when presented to the translator.

When using the term penalty profiles, the PM can choose whether any terms are highlighted in XTM Editor and the recommended translation offered to the translator.