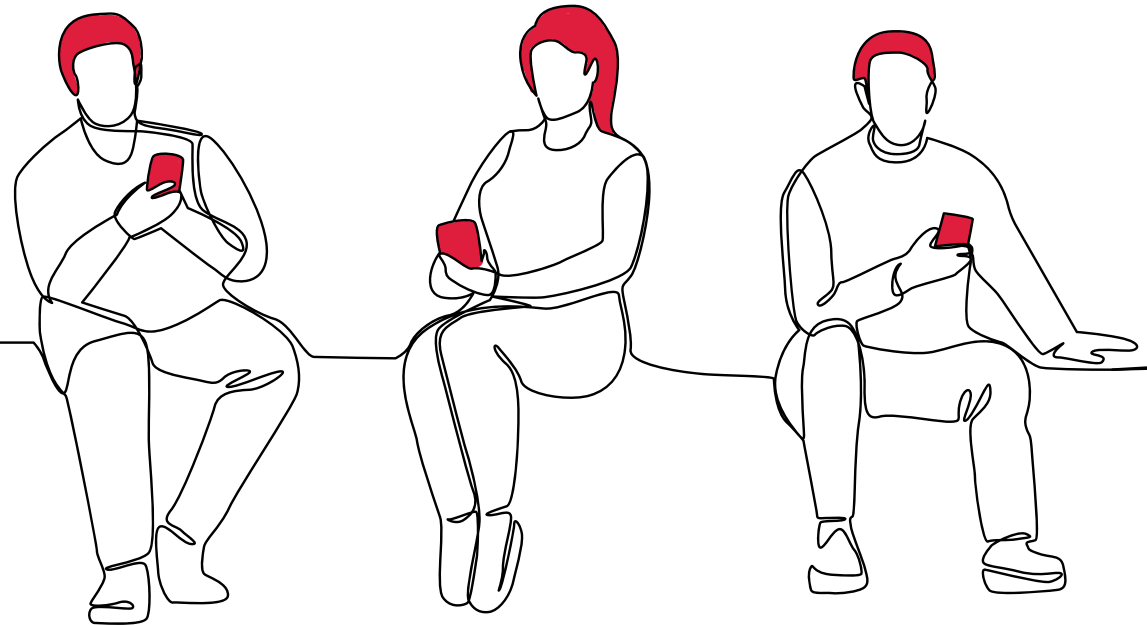


P11D Reporting Guidance



Form P11D is used to inform HMRC about benefits provided to employees throughout the tax year, outside of payroll, and pay tax and national insurance contributions on them.

The deadline for submitting the P11D is 6 July following the end of the tax year, and the deadline for payment of Class 1A National Insurance is 19 July.



The tax payable on benefits is suffered by the employee, usually by HMRC changing their tax code after the form is submitted. Class 1A National Insurance is paid by the employer on benefits provided.

If you do not want the employee to suffer the tax please refer to our PAYE Settlement Agreements Quick Guide.

Common benefits reportable on a P11D include:

- Company cars
- Healthcare and other forms of insurance such as dental;
- Payment of employees mobile phone bill and internet (see flowchart);
- Low interest or interest-free loans in excess of £10,000;
- Childcare exceeding statutory limits;
- Gym memberships;
- Accommodation provided unless necessary for the job.

Statutory exemptions:

Items that are commonly covered by statutory exemption are:

- Travel, including subsistence costs associated with business travel and travel to a temporary workplace
- Accommodation linked only to business travel
- Detached duty relief (see below for more information).
- Fuel for business mileage in a company car
- Hire cars and related fuel costs if used for business purposes
- Business entertainment expenses
- Credit cards used for business and in the business' name
- Fees and subscriptions paid to professional bodies if they are approved by HMRC
- Mobile phones in the company's name (see flow chart)
- Business line rental at employees home
- Uniform and tools for work
- Sundry business expenses, such as office supplies and stationery
- Trivial benefits (see below for more information)

Detached duty relief applies where an employee attends (is seconded to) a temporary workplace for a period of up to 24 months. The relief means the employee can obtain relief for the cost of travel to and from that workplace, which may also include the cost of accommodation and subsistence. Once there is a reasonable expectation that the secondment will be for a period that exceeds 24 months, the exemption will no longer apply.

The statutory exemption does not apply to expenses or benefits that are paid for or provided under a salary sacrifice.

You do not need to apply for an exemption if you're paying HMRC's benchmark rates for allowable expenses. If you pay above HMRC's benchmark rates please let us know.

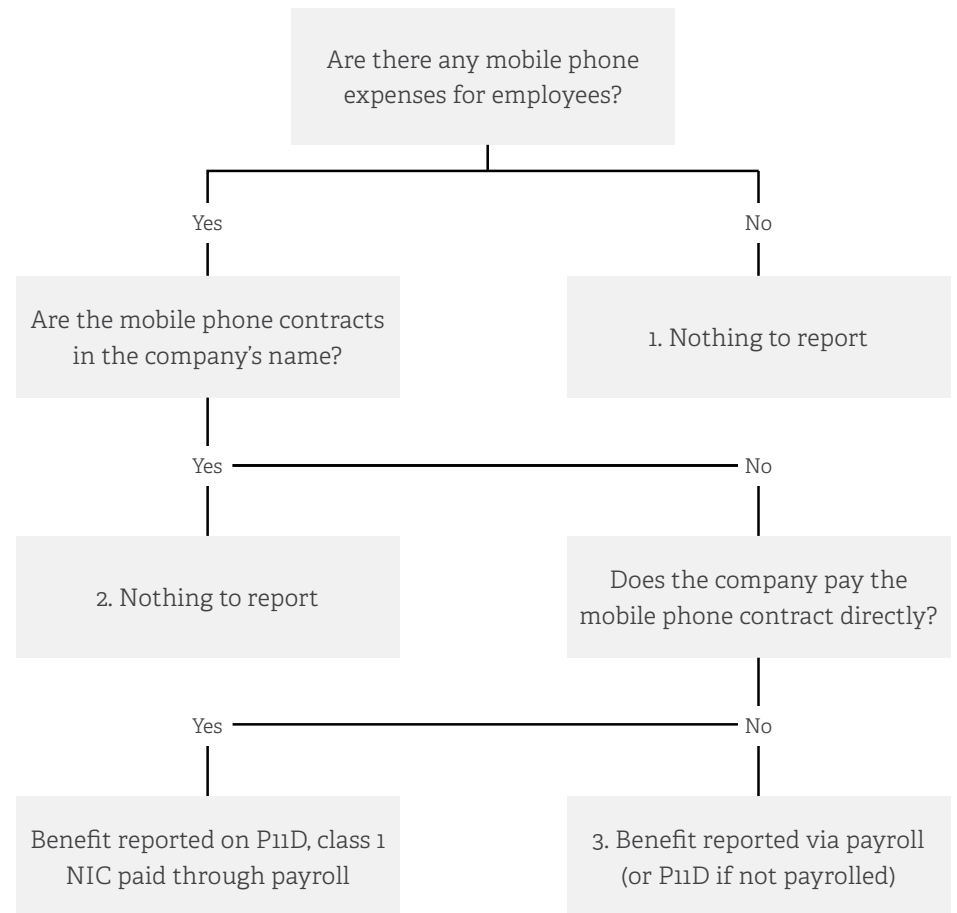
The following link sets out agreed rates of reimbursement and contains other useful information: <https://www.gov.uk/expenses-and-benefits-a-to-z>

Trivial benefits are statutory exemptions for employees if all of the following conditions are satisfied:

- it cost you £50 or less to provide
- it is not cash or a cash voucher
- it is not a reward for their work or performance
- it is not in the terms of their contract

Directors of a 'close' company cannot receive trivial benefits worth more than £300 in a tax year.

Mobile Phones



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