

## Benefits in Kind and P11D Forms

When directors/employees receive any form of benefit in kind as a result of their directorship/employment a taxable benefit may arise.

Whilst the most common benefits are cars and vans (with or without fuel) and mobile telephones and similar technology ANY benefit has a potential tax and Class 1A National Insurance liability.

You should review the following to consider whether your business is providing benefits to its directors or employees. If you are a director this applies to any benefits you receive from the company.

The main benefits reportable on the P11D are:

- cars and private fuel;
- vans and private fuel where private use is not restricted to commuting;
- travelling, parking, subsistence and entertainment reimbursed;
- vouchers, credit cards or tokens, including some childcare vouchers;
- assets transferred, eg cars, computers etc given to an employee;
- payments made on behalf of an employee;
- living accommodation provided to employees/their families;
- assets placed at the employee's disposal, eg furniture, holiday accommodation;
- mileage allowance and passenger payments, if they are paid above the maximum exempt amounts (45p per mile for the first 10,000 miles and 25p per mile thereafter, plus 5p per mile for passengers);
- interest free or low-interest loans above £10,000 at any time in the year;
- private medical treatment or insurance, including dentistry;
- relocation expenses;
- services supplied to employees;
- payment of items such as professional fees and subscriptions not related to the employment;
- membership fees for gyms etc;
- payments made for a director's or employee's home telephone or personal mobile phone (but not for one mobile phone where the contract is between you and the supplier).

Please note that if benefits were provided to employees who left your employment during the tax year but prior to 5 April a P11D is still required.

More information is available on the HMRC website at:

<https://www.gov.uk/employer-reporting-expenses-benefits>

Should you have any queries regarding the above please contact me:

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