



## Travel Expenses and Commuting...

### *What's the difference and what can I claim?*

We often get asked if travel expenses can be claimed as an expense, and some may automatically assume that you can, simply because it's a work-related expense, but this is not the case so it's important that you are fully aware of what can and can't be claimed in your tax return.

#### **What can I claim tax relief for?**

If you are travelling to and from the same place of work as a regular commute, you *cannot* claim these expenses as tax relief.

However, if you are travelling somewhere for work that is not your usual place of work, for example attending meetings, or visiting someone's house for work, you can claim for these, whether it's car parking, congestion or ULEZ, mileage or train travel. If you need to stay overnight, buy food or drink (Michelin-star tasting experiences won't be covered in this!), or make phone calls for this journey, you are also able to claim this as tax relief.

If you are travelling to a location to specifically carry out your work duties, this is classed as business travel.

Tax deductible	Non Tax-deductible
Travel other and commute to and from permanent workplace (tickets, mileage, tolls)	Normal commute to and from permanent workplace
Food and drink on work journeys outside of normal commute, including dinner and breakfast on overnight stays	Parking fines, speeding tickets and other penalty charges
Overnight accommodation on work journeys	Travel costs not exclusively for work e.g. a travel card that is used for personal use as well as work

Make sure you keep your receipts or upload them to your accounting software for proof of purchase.

For cars and vans, the flat rates are 45p per mile for the first 10,000 miles you drive in a year and then 25p for each subsequent mile. If you travel with others who work for your business (partners or employees), you can claim an additional 5p per mile for each extra passenger. This is not just to cover the fuel you are using to travel, but the wear and tear and insurance of your vehicle. If you use a motorbike, the flat rate is 24p per mile. From 1 September 2023 the advisory electric rate for fully electric cars is 10 pence per mile but Hybrid cars are treated as either petrol or diesel cars when it comes to advisory fuel rates.

We would always advise that you keep a mileage log so that you have a record of the journeys you have made and when you made them.

### **Employers**

It is important that Employers are aware of what is classed as a business expense to reimburse and what is classed as a benefit for the employee. For example, a company car or annual travel card would be classed as a benefit and therefore subject to tax and national insurance and would therefore be included in the employees' P11D.