



Expenses Guide

Supervision, Direction and/or
Control

PayStream*
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Introduction

This guide gives an overview of the type of employment expenses which HMRC consider qualify for tax relief and how to claim where you are working under the [supervision, direction and/or control \('SDC'\)](#) of the end client or any other person.

For this guide to be relevant to you, you must:

- be working under SDC (or a right of SDC),
- agree that, where expenses are allowable, submitting claims is the right process for you, and
- agree that each claim you submit will be for the current tax year only.

Claims for the previous tax year cannot be processed although may be claimed via HMRC.

General Principles

Non-travel expenses may be allowable provided they are incurred wholly, exclusively and necessarily in the performance of the duties of your employment.

To qualify for tax relief on your travel expenses:

1. the expenses must be incurred due to travel in the performance of your duties or for necessary attendance,
2. the expenses must not be in relation to 'ordinary commuting' (i.e. your claims must be for journeys to/from a [temporary workplace](#)), and
3. where a workplace has changed, then the journey undertaken, or, the cost to travel to the new workplace must be significantly different from any permanent workplace. Your 'permanent workplace' is usually the place from which the client supervises, directs and/or controls your work (even if you work from home) although it is possible to have more than one [permanent workplace](#).

If you have a permanent workplace but you are sent by the same client to work temporarily at another location, or, you are a 'Mobile Worker' who visits multiple temporary workplaces during the course of an assignment, then you may be able to claim travel and subsistence expenses for certain journeys between temporary workplaces you visit.

If for example, you attended a client depot/base to receive instructions on work for the day, you may be able to claim for journeys between the depot and any temporary workplaces you visited that day, since these journeys would be classed as inter-site travel between temporary workplaces. The journeys between your home and the depot/base on the other hand, could not be claimed for since the depot would be considered a permanent workplace and journeys to and from a permanent workplace amount to 'ordinary commuting'.

The moment you believe a workplace can no longer be seen as a temporary workplace, (for instance, because your time at a particular workplace will exceed 24 months, or you believe the assignment you are claiming for will be the only or final assignment you will undertake during your employment with PayStream), then you must stop submitting expenses and inform PayStream of the change to your circumstances by contacting the Expenses team.

Please note: Whilst claims for business mileage to a temporary workplace may be allowable without the costs being reimbursed by your agency or end client, tax relief for other travel and subsistence expenses can only be claimed through PayStream where the expense is being reimbursed by your agency or end client.

To claim for non-mileage expenses which are not being reimbursed, you will generally need to submit a claim to HMRC in order to secure tax relief.

If you intend to submit claims for mileage or expenses please let us know and we will send you a questionnaire. If we can evidence that the claims are allowable we will allow access to our portal/app where you can submit claims and upload receipts.

Receipts must be provided to support your claims and expenses may only be processed where we are satisfied that the claim can legitimately be reimbursed without deduction of tax and national insurance.

Any employee(s) found to be falsifying expense claims will face disciplinary action.

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What can I claim through PayStream?

Business mileage

Mileage can be claimed for all business related travel where you are obliged to travel to and from a temporary workplace (i.e. for inter-site or detached duty travel and not travel for traveling to a permanent workplace). You must hold appropriate business insurance to drive any vehicle in respect of business use.

Below are the different mileage rates available to claim from HMRC:

	First 10,000 miles per tax year	10,001+ miles per tax year
Car	45p	25p
Motorbike	24p	24p
Cycle	20p	20p

VAT receipts are required to process mileage claims and should be uploaded. The receipts provided must show that enough fuel has been purchased to cover the mileage claim.

A copy of pages 1 and 2 of your Vehicle Registration Document (V5) should be supplied as evidence of ownership of the vehicle. Generally, mileage can be claimed only where your own vehicle is used. However, in some instances, where you bear the costs connected with a vehicle which is not registered in your name, mileage may still be claimed. Please contact our Customer Care Team for further information.

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Other travel costs to a temporary workplace

If you have used any other means of travel such as a train or taxi, for a journey between your permanent workplace and a temporary workplace or between your home and your temporary workplace or you have any other related costs which are being reimbursed by your end client or agency such as car hire/fuel, parking, tolls etc. you should record these expenses on the portal/app and upload your receipts. Again, you can only claim for receipted travel expenses for inter-site or detached duty travel and not for travelling to your permanent workplace.

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Hotels & Subsistence (Meals)

You may also be able to claim the actual cost of meals and overnight stays if you have to stay away from home if you are working away from your permanent workplace at a temporary workplace and the expenses are being reimbursed by your end client or agency. The expenses must be classed as 'reasonable' as per HMRC. You should record these expenses on the portal/app and upload your receipts.

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Other Expenses

Other expenses may only be claimed where you are being reimbursed by the end client or agency and where we are satisfied that the claim can legitimately be reimbursed without deduction of tax and National Insurance due to being wholly, exclusively and necessarily in the performance of the duties of your employment. You should record these expenses on the portal/app and upload your receipts.

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What can I claim through HMRC?

Even though you are working under the supervision, direction and/or control of others, depending upon the nature of your work and other working arrangements, you may be able to claim tax relief directly from HMRC for employment expenses which you have incurred on the following:

Travel and subsistence

If you travel to a temporary workplace and the cost is not reimbursed by your agency or client, you may be able to claim the relief back from HMRC. Please keep a record of the expense and retain the receipt.

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Professional fees and subscriptions

You can claim for fees or subscriptions you pay to approved professional organisations which have been approved by HMRC. Please record the expense and retain the receipt.

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Working at home

If you have to work at home on a regular basis you can claim up to £6 per week. This is regarded as covering the cost of things like business telephone calls or the extra cost of gas and electricity for your work area at home. You don't need to provide receipts for a claim like this, just record it as an expense.

If you want to claim more than £6 per week you will need to record the details and keep receipts. Remember that you can't claim for things that you use for both private and business use, e.g. rent or mortgage payments or broadband access.

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Computer hardware / software

If you have to buy substantial computer equipment in order to do your work, e.g. a laptop, providing that it is used wholly, exclusively and necessarily in the performance of the duties of your employment you may be able to claim the whole of the cost as an expense. Again you will need to record the expenses and retain the receipt.

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Identifiable cost of business telephone calls

Business calls are allowable for tax purposes but you will need to obtain itemised bills with that type of call highlighted in order to formulate a claim to HMRC. You will need to evidence the business calls on the bill and record the expense.

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Uniforms, work clothing and tools

- Buying, repairing or replacing small tools you need to do your job
- Cleaning, repairing or replacing specialist clothing e.g. a uniform or safety boots
- Alternatively you can claim a 'flat rate deduction' agreed by HMRC with different occupational sectors. You don't need receipts to claim this if it applies to you. Details can be found [here](#).

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How can I claim from HMRC?

Any non-mileage claims that have not been relieved during the year can be claimed on a P87 or tax return at year end along with your other receipted expenses.

Successful claim

The key to making a successful claim to tax relief for employment expenses is that it must pass the legal test of having been incurred wholly, exclusively and necessarily in the performance of the duties of the employment and should be capable of being supported by evidence of that expense - so don't forget to retain receipts.

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PayStream's Tax Claim Service

You can sign up to the PayStream Tax Claim Service and we will collate, check and submit the appropriate claim on your behalf. For more details of this service please email: tax@paystream.co.uk

Alternatively you can make a P87 claim directly to HMRC if the value of your expenses is less than £2500. To do this [please click here](#).

If you have a salary sacrifice pension arrangement with PayStream and you claim expenses, your gross pay will be lower than if you didn't claim expenses. This limits the amount that you can sacrifice for a pension contribution. Instead, you may want to consider claiming tax relief for your expenses via an HMRC P87 form or your Self Assessment tax return.

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