

P11d Form Guidance

Year ended 5th April 2025

P11D Form Guidance – Year Ended 5th April 2025

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1) **Introduction**

We have prepared some guidance notes to assist you in completing the P11D online form.

The guidance is split into sections, which match the P11D Form.

If you require further guidance or clarification, please do not hesitate to contact a member of the tax department.

2) **Mobile Phones**

a) Contracts in company name

If your mobile phone contract is registered in the name of your limited company and only one phone is provided, no benefit arises.

If the company provides more than one mobile phone in the company name, a taxable benefit may arise. However, a 2nd or 3rd mobile phone provided to the same person will **not** attract a taxable benefit where the additional phone is provided **wholly** for business use and private use is insignificant.

A mobile phone that is provided to a second company officer, i.e. a director or company secretary, will not attract a taxable benefit.

b) Contracts not in the company name

Where there is a monthly payment covering the tariff charge and calls, you cannot make a claim for tax relief, due to duality of purpose rules. In these cases, all that can be claimed is the business proportion of calls.

If the company pays the full cost of your mobile phone bill, when the contract is in your own name, this will be regarded as a taxable benefit in kind, **unless** the phone is used 100% for business purposes.

c) Pay as you go

Where the mobile phone is 'Pay As You Go' there will be no analysis of business and non-business calls. However, as long as the handset is a company asset (i.e. owned by the company) we believe this will qualify as being a company mobile phone and no benefit in kind will arise on the purchase of the top up vouchers.

The simplest and most tax efficient way to claim mobile phone costs is to ensure the contract is in your company name.

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3) Landline telephones/broadband

a) Contracts in company name

If your landline is in the company name and is used wholly for business, with private use being insignificant, no benefit arises and therefore there is no reporting requirement on the P11D.

However, if private use **is** significant, the benefit in kind will amount to 100% of the line rental, plus the cost of non-business calls. A tax deduction claim can be made on your Self-Assessment Tax Return for the business use proportion of the line rental.

b) Contracts not in the company name

Where there is a monthly payment covering the line rental and calls, you cannot make a claim for tax relief, due to duality of purpose rules. In these cases, all that can be claimed is the business proportion of calls.

If the company pays the full cost of your landline telephone and/or broadband bill, when the contract is in your own name, this will be regarded as a taxable benefit in kind, **unless** the phone/broadband is used 100% for business purposes.

If claiming for landline telephone or broadband costs, we always recommend that contracts are taken out in the company's name.

4) Director's loan accounts

If, at any time during the tax year, you (and your non-director spouse) owed more than £10,000 to the company, then details need to be entered on your P11D form, even if you have subsequently repaid such loans. Please complete the director's loan section of the form to allow us to complete the appropriate benefit in kind charge.

The only exception to this rule is if you had a formal loan agreement in place with the company for the loan, and you paid a commercial rate of loan interest.

5) Company assets provided for private use

If your company provides you with the use of assets that are used privately, there may be a taxable benefit in kind.

Some examples of the type of asset which may be provided for private use are: motorbikes, electronics and computer equipment.

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Please note that computer equipment, including: desktop computers, laptops and tablets specifically provided to employees to carry out the duties of their employment will be exempt from a benefit charge.

Therefore, if the only asset provided to you by your company is computer equipment and the main reason for providing you with this equipment is for business purposes, then you do not have a benefit in kind and do not need to complete this section of the form.

If assets other than computer equipment are provided for private use, you should complete the company assets for private use section of the form.

6) **Medical Insurances**

The cost of most private medical insurances paid by the company will be regarded as a taxable benefit and should be reported on the P11D form.

Critical illness/Keyman insurance will be a taxable benefit if the policy is in the name of the individual and the beneficiary of any relevant insurance pay-out is the individual. If the contract is in the company's name and any payout is made to the company then there is no benefit in kind and there is no need to report any details on the P11D form.

Relevant Life Plans (RLP's) are not a taxable benefit and you do not need to complete this section of the form for RLP's.

7) **Company Vehicles**

a) Company car

If your company provides you with a car, the relevant details should be provided on this form. Please include all cars provided to you by your company during the year, showing the periods when they were made available.

Company cars are taxed according to their CO2 emission levels and it is essential that the emission levels are shown where indicated on the form. You will find the CO2 emission levels of your car either on the registration document of the car or by clicking the relevant link on the company car section of the form.

The benefit for the use of a company car is based on the **list price** of the vehicle at the date of first registration. Please provide the list price, plus the cost of optional accessories that have been added to your company car.

The cost of car tax, insurance, repairs and servicing will not constitute additional benefits as they are covered by the all inclusive company car benefit. Such expenses need **not be included on the form.**

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Provision of private fuel is covered by the Standard Car fuel Benefit charge. However, expenses such as breakdown cover and traffic fines must be reported separately.

b) Company van

For 2024/25 the Van benefit charge is £3,960 and the Van Fuel Benefit charge is £757. This is apportioned for the number of months you had the van.

The van benefit will apply if the van is used for private journeys, other than one or two short personal journeys per year.

The van fuel benefit will apply if the van benefit applies and the company pays for all of the fuel.

8) **Other benefits in kind**

We have covered most of the common benefits in kind above and would not expect there to be many other benefits not mentioned above.

However, please use the other benefits in kind section of the form to provide details of any benefits in kind received from your company that are not mentioned above.