

**i Contacts**

To download the form and related helpsheets go to:

[hmrc.gov.uk/sa102](http://hmrc.gov.uk/sa102)

For further information about Self Assessment go to:

[hmrc.gov.uk/sa](http://hmrc.gov.uk/sa) or  
[hmrc.gov.uk/sacontactus](http://hmrc.gov.uk/sacontactus)

**i** Use these notes to help you complete the *Employment* page of your tax return.

**Who should use the Employment page?**

Employment includes directorships, offices and agency agreements. We need a separate *Employment* page for each employment, directorship, office, and so on to get your PAYE tax code right for next year. You should use the *Employment* page to report income from any foreign employment, directorship or office.

**Office holders**

If you hold an office (but you are not a director) and only received reimbursed actual out of pocket expenses (no other payments were made to you at all), you will not need to complete an *Employment* page for that office. Say why you are not completing an *Employment* page in the 'Any other information' box, box 19, on page TR 7 of your tax return.

**Directors**

We need an *Employment* page for each directorship, with one exception. This is where no payments of any kind (including lump sums and 'deemed payments' – see below) have been made and no benefits have been provided from that directorship. Say why you are not completing an *Employment* page for a particular directorship in the 'Any other information' box, box 19, on page TR 7 of your tax return.

You should include income received in the year to 5 April 2014 even if it was earned in an earlier year, or was paid for work not yet done, or if you have made arrangements for the income to be applied in some other way.

**Income**

Income is received on the earliest of the following dates. For all employees that will be:

- the date it was paid, or
- the date you were entitled to be paid even if you were not paid until later, or
- the date any payment on account was paid or you became entitled to it and for employees who are directors, or
- the date amounts were credited to you in the company's books even if you could not draw on them at that time, or
- the date your earnings were decided or, if they were decided in advance, the last day of the period for which they were decided.

**Providing services through a company or partnership and deemed payments**

If you provide services to a client through a company or partnership and, had that company or partnership not existed you would have been an employee of that client, then you will be treated as receiving a deemed employment payment. Include that payment in box 1 of the relevant *Employment* page (and any tax taken off it in box 2).

**Residency issues**

Please contact us, or ask your tax adviser for advice, if:

- you were not resident or not ordinarily resident in the year to 5 April 2013, or
- you will be not resident in the year to 5 April 2015 and you received employment income, in the year to 5 April 2014, for an employment in either of those two years.

### ***Income from foreign employment, directorship or office***

If you are claiming Foreign Tax Credit Relief on income included in the *Employment* page, you must fill in the *Foreign* pages. See pages FN 15 and FN 16 of the *Foreign notes*. Go to [hmrc.gov.uk/worksheets/sa106-notes.pdf](http://hmrc.gov.uk/worksheets/sa106-notes.pdf)

Use box 13 on page Ai 2 of the *Additional information* pages to enter foreign tax that you have paid on your employment income for which you are not claiming Foreign Tax Credit Relief.

Do not include foreign tax in box 2 of the *Employment* page.

#### **What to include on the *Employment* page**

Salaries, wages, fees, commissions, overtime, bonuses and other contractual payments.

'Deemed' employment income (see page EN 1 of these notes).

Income covered by the third party arrangements or 'disguised remuneration' rules (see note below).

Tips and gratuities.

Honoraria and similar payments.

Inducements or 'golden hellos'.

Payments made by your employer to recognise changes in your employment conditions and other 'indirect' payments.

Lump sum payments paid instead of weekly or monthly amounts, including payments made to encourage you to stay working in that employment.

Sick pay, including Statutory Sick Pay paid by your employer.

Statutory Maternity Pay, Ordinary Statutory Paternity Pay, Additional Statutory Paternity Pay or Statutory Adoption Pay paid by your employer.

Payments made to you while working for an agency.

Loans written off which were made because of your employment.

Payments from the trustees of an approved profit-sharing scheme.

Income from deferred remuneration plans. Include all income received in the year to 5 April 2014. Also include income that:

- you could have received but arrangements were made for it to be paid elsewhere
- was earned in an earlier tax year but paid in this one
- was paid for work not done by 5 April 2014.

We will tax you for the tax year when your entitlement to income arose, if that is earlier than the year in which it was paid.

**Note: third party arrangements or 'disguised remuneration' rules.** These are detailed conditions about income taxable under these rules. Ask us or your tax advisor for further information.

#### **What to exclude from the *Employment* page**

Items not to be included on the *Employment* page, or anywhere else in your tax return.

Payroll giving donations.

Profit-related pay relief calculated by your employer.

Contributions to your employer's pension scheme.

Working Tax Credit or Child Tax Credit.

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## **Items to be included on the *Additional information* pages, enclosed in your tax return pack**

Lump sums and benefits paid on or following or otherwise in connection with termination of employment, retirement or death, payments or benefits from a former employer or paid for agreeing to restrict your activities.

Shares or interests in shares received freely or cheaply.

Amounts received for transferring, cancelling, releasing, or in connection with not exercising, share options.

Income covered by the third-party arrangements or 'disguised remuneration' rules that is paid after termination of your employment (see page EN 2 of these notes).

If you have started or finished employment during the year to 5 April 2014, please enter the date your employment started or ended in the 'Any other information' box, box 19 on page TR 7 of your tax return.

## **Employment income and details**

### **Box 1 *Pay from this employment – the total from your P45 or P60***

Your employer must give you a record of your pay and tax. If you were working on 5 April 2014 you will get a P60 *End of Year Certificate* by 31 May 2014. Enter in box 1 the pay figure from the 'In this employment' box on your P60.

If you left an employment during the year you will have been given a P45 Part 1A. Enter the figure from the 'Total pay in this employment' box of the P45 in box 1 on an *Employment* page for each employment. You should also enter any payments received after leaving this employment in this box.

If you had more than one job in the tax year, your P60 may include the pay and tax details of an earlier employment. Put those details on another *Employment* page.

You should deduct from the P60 or P45 figure any payment (before tax is taken off) included in respect of lump sums and benefits paid on, or following, termination of employment, retirement or death, payments or benefits from a former employer or paid for agreeing to restrict your activities. You should include these payments in the *Additional information* pages.

If your employer has reported the amount of a benefit from your employment on your form P11D and taxed that amount through your payroll, you should deduct from the P60 or P45 figure the amount (before tax is taken off) reported on your P11D. You should enter the amount you have deducted from the P60 or P45 figure in boxes 9 to 16 as appropriate. Please refer to any specific advice issued by your employer if you are unsure what figures to enter.

Where the P60 or P45 figure includes any amount for income (including lump sums) covered by the third-party arrangements or 'disguised remuneration' rules, include this amount (before tax is taken off) in the figure that you enter in box 1 (see page EN 2 of these notes).

The box 1 figure is the pay figure after any contributions to your employer's pension scheme (sometimes described as superannuation). Take care when copying this figure from your P60 to the *Employment* page.

If you received Jobseeker's Allowance in the year to 5 April 2014, it may be included on your P60 or it may be on a P45 Part 1A – you should include it in box 14 on page TR 3 of your tax return in the 'Income' section, not your *Employment* page.

[Helpsheet 208 Payslips and coding notices](#) tells you where to find information to help you enter the correct pay and tax details in boxes 1 and 2.

### **Box 2 *UK tax taken off pay in box 1***

If the tax deducted figure on your P60 has an 'R' next to it, enter the amount with a minus sign in the shaded box. Do not include foreign tax here.

### **Box 3 *Tips and other payments not on your P60***

Include all tips and gratuities, even if paid by a third party. If not included in the P60 or P45 figure and already entered in box 1, include any amount (before tax is taken off) included in respect of income (including lump sums) covered by the third party arrangements or 'disguised remuneration' rules (see page EN 2 of these notes).

### **Box 4 *PAYE tax reference of your employer (on your P45/P60)***

You will find your employer's PAYE tax reference on your P45/P60. Enter 'None' in box 4 if, exceptionally, your employer does not have a PAYE tax reference.

### **Box 7 *If the company was a close company***

A close company is, broadly, one that is controlled by:

- five or fewer participators – those who have a share or an interest in the income or capital of the company, such as shareholders or some loan creditors
- any number of participators if they are directors.

### **Box 8 *If you are a part-time teacher in England or Wales and are on the Repayment of Teachers' Loans Scheme for this employment***

The Student Loans Company will have notified your employer if you have been accepted onto the Repayment of Teachers' Loans Scheme for this employment. If so, we will not collect student loan repayments from you.

## **Benefits from your employment**

Your employer has to tell us, on a form P11D, about all taxable benefits and expenses provided or paid to you. They may either give you a copy of the P11D, or give you the same information, and they must do this by 6 July 2014. If you have not had it by then, speak to your employer or phone us.

If your employer has a dispensation (an arrangement with us that saves you having to return income and then ask us to give you tax relief for the same amount) some benefits or expenses may not appear on the P11D. Do not worry about this and do not enter them on your *Employment* page.

If exceptionally you do not receive a copy of form P11D or need to calculate the benefit yourself, the following helpsheets provide further information:

[Helpsheet 201 Vouchers, credit cards and tokens](#)

[Helpsheet 202 Living accommodation](#)

[Helpsheet 203 Car benefits and car fuel benefits](#)

[Helpsheet 207 Non-taxable payments or benefits for employees](#)

[Helpsheet 210 Assets provided for private use](#)

[Helpsheet 213 Payments in kind – assets transferred](#)

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### **Box 9 *Company cars and vans***

Enter the sum of the figures from boxes 9 in sections F and G of the P11D. If you use your own vehicle for work (not just for getting to and from work), do not use this box, but see the notes for boxes 12 and 17.

### **Box 10 *Fuel for company cars and vans***

Enter the sum of the figures from boxes 10 in sections F and G of the P11D.

### **Box 11 *Private medical and dental insurance***

Enter the figure from box 11 of section I of the P11D.

### **Box 12 *Vouchers, credit cards and excess mileage allowance***

If your employer has given you vouchers or credit cards enter the figure in box 12 of section C of the P11D. This should include any goods or services bought with a company credit card or token for you and your family or household. If you use the vouchers or credit card to meet business expenses, you should still include their value in box 12 but enter the appropriate amount as a deduction in box 17 or box 20.

If your employer pays you a mileage allowance (box 12 in section E of the P11D) for using your own car, van, motorcycle or cycle for work, you only have to pay tax on it if you are paid more than your business mileage multiplied by the appropriate rate for each kind of vehicle:

- cars or vans – 45 pence a mile for the first 10,000 miles and 25 pence a mile after that
- motorcycles – 24 pence a mile
- cycles – 20 pence a mile.

If you receive less than the maximum mileage allowance you can have tax relief for the shortfall – read the notes for box 17, on page EN 6.

If your employer pays you extra because you carry passengers on journeys which are business journeys for both you and them, you only have to pay tax if you are paid more than five pence a mile for each passenger. If you are paid less than the maximum, you cannot have tax relief for the shortfall.

### **Box 13 *Goods and other assets provided by your employer***

Enter the sum of the figures from boxes 13 in sections A and L of the P11D. Usually this figure will be the market value of any goods given to you by your employer but it may be a higher figure if the cost to the employer of creating the item was more than its market value.

### **Box 14 *Accommodation provided by your employer***

Enter any figure from box 14 of section D of the P11D. If you think all or part of this amount should be exempt from tax please contact us.

### **Box 15 *Other benefits (including interest-free and low interest loans)***

Add together all the amounts shown in the boxes marked as ‘15’ on the P11D and put the result in box 15 on the *Employment* page. Additional comments on some of the boxes marked as ‘15’ are set out below.

#### ***Payments made on behalf of an employee***

The figure should also include any payment your employer makes, for example, for:

- your rent paid direct to your landlord
- your personal credit card bill paid direct to the credit card company
- your tax.

Your employer may pay you in non-cash form on occasion and pay the tax due on your behalf. If that PAYE tax is more than the pay due in the pay period, and if within 90 days of receipt of the notional payment you did not repay the difference to your employer, you should enter the amount in box 15.

### ***Interest-free and low interest loans***

Include the figure from box 15 of section H of the P11D. Do not enter the amount borrowed, only the difference between the interest you paid (if any) and what you would have paid had the loan been at the official rate of interest. If you need more information please contact us.

### ***Relocation packages***

If you move house any payments made to (or goods or services provided for) you by your employer are part of your taxable earnings. But if you move house for work and meet certain conditions, the first £8,000 of any help you receive is exempt from tax.

That £8,000 is for the move as a whole and not for each tax year. Your employer will help you work out what to include in box 15 and will tell us if any expenses or benefits over £8,000 have been provided for you.

### ***Box 16 Expenses payments received and balancing charges***

These fall into three main areas:

- travelling and subsistence – include amounts for fares, hotels, meals, and so on including travel between home and a permanent workplace. Do not include reimbursements of expenses in connection with a company car or van. If your employer pays you an allowance for using your own vehicle on company business, see the notes for boxes 12 and 17
- entertainment – include all sums reimbursed, any round sum payments, any specific entertainment allowance and any sums paid to third parties
- general expenses allowance.

Enter in box 16 the total of the figures from boxes 16 of section N of the P11D.

### ***Balancing charges***

This will only apply if you dispose of an asset for which you received capital allowances (and it cannot apply to motor vehicles). If you think that you may be affected please contact us.

## **Employment expenses**

### ***Box 17 Business travel and subsistence expenses***

You can only deduct the costs you had to pay out in doing your job. If your employer has agreed a dispensation with us you must not deduct any expenses that are covered by that dispensation. If you need help with this, speak with your employer's pay section or contact us.

### ***Travel costs***

You cannot get tax relief for the costs of travelling from home to your usual place of work. However, you can deduct the cost of business journeys – whether in the UK or abroad – as well as the related costs of accommodation and meals.



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Business journeys are:

- travelling from one place of work to another in the same employment
- travelling between your home and a temporary workplace (somewhere you work for less than two years, unless you work there for all, or almost all, of a short-term employment).

If travelling is your job, you can deduct the cost of travel, meals, and so on from the time you leave home. But if you live a long way from the area where you work, you cannot deduct the costs of getting you to that area.

### ***Using your own car, van, motorcycle or cycle***

If your employer pays you less than the maximum mileage allowance (see the notes for box 12 on page EN 5) you can get tax relief for the shortfall, but you cannot get tax relief for your actual expenses, if greater. Keep a record of your business mileage and of the mileage allowances you have been paid.

#### **Example**

You travelled 16,000 business miles in your own car. The most you can receive without having to pay tax is:

10,000 miles at 45 pence a mile	£4,500
6,000 miles at 25 pence a mile	£1,500
	£6,000

If you were only paid £3,500 by your employer, you can put the difference (£2,500) as an expense in box 17.

Add together all the allowable travel costs including related meals and accommodation costs, business expenses, such as business phone calls, fax or photocopying costs and enter the total in box 17.

### **Box 18 *Fixed deductions for expenses***

Fixed deductions are amounts of flat rate expenses we agree with the relevant trade unions, or other bodies, to cover the costs of maintaining or replacing tools or special working clothes.

You do not have to be a member of the union to get them. They may be included on your PAYE Coding Notice. If your PAYE Coding Notice shows an adjustment for these expenses for an earlier year, please contact us.

You may want to deduct the actual amount you spent on tools or special working clothes, rather than the fixed rate amount. If so, leave box 18 blank and enter the actual amount spent in box 20.

### **Box 19 *Professional fees and subscriptions***

You may be entitled to a deduction for certain fees you must pay to carry out your profession, and annual subscriptions to professional bodies that we have approved and are relevant to your work. You can find a list of approved professional bodies and allowable fees and subscriptions at [hmrc.gov.uk/list3](https://hmrc.gov.uk/list3) The professional body may also tell you how much you are allowed to enter in box 19.

### **Box 20 *Other expenses and capital allowances***

You can only deduct necessary expenses – those that each person doing exactly the same job as you would have had to pay out – and they have to have been paid out in doing your job, not getting you to a position where you could do your job. If your PAYE Coding Notice shows an adjustment for these expenses for an earlier year, please contact us.

## Information

- Go to [hmrc.gov.uk/contactus](https://hmrc.gov.uk/contactus)
- Phone the SA Helpline on **0300 200 3310**.
- Phone the SA Orderline on **0300 200 3610** for paper copies of the helpsheets and forms.

### **Entertaining expenses**

You are not usually entitled to tax relief for any business entertaining expenses but, exceptionally, if your employer:

- has put a tick against ‘entertainment’ on your P11D, and
- those expenses were absolutely necessary in carrying out your job, and
- your employer has either reimbursed you or paid you an allowance specifically for entertaining

then you may make a deduction. That deduction must not exceed the amount paid to you by your employer.

### **Capital allowances**

You may be entitled to capital allowances (tax allowances for depreciation) for your costs of equipment and so on used in your employment. **You cannot have capital allowances for a car, van, motorcycle or cycle – but you can have mileage allowance relief (see box 17) which includes depreciation.**

There are several types of capital allowances depending on the cost, type of asset, and qualifying conditions, for example, Annual Investment Allowance (AIA), ‘small pools’ allowance, and ‘writing down’ allowance (WDA).

The notes below are a brief overview of the allowances relevant to employees. [Helpsheet 252 Capital allowances and balancing charges](#) gives more information about the various allowances available and includes a section on capital allowances for employees.

You can claim the AIA if you bought equipment during the year up to a set maximum amount. From January 2013 the maximum amount of AIA was increased to £250,000 for a temporary period of two years to 31 December 2014.

Add the cost of the equipment together and, if the total cost does not exceed the maximum amount of the AIA, you can claim 100% of that whole amount as your AIA.

Where you have spent more than your maximum AIA entitlement in a year on equipment:

- add all the expenditure together to make a ‘main pool’ of costs
- deduct any AIA up to your maximum entitlement for that year from that main pool
- add the value of any main pool from the previous year
- deduct the value of any disposals you have made during the year.

You can then claim writing down allowance (WDA) of 18% of the remaining pool value. Include the total of any of these capital allowances in box 20.

If the balance after claiming AIA, together with any balance carried forward from any previous year less any amount you got from disposing of equipment you no longer use (for example, selling it), is £1,000 or less, you may claim that whole amount as a small pools allowance.