

P11Ds - EXPENSES & BENEFITS IN KIND

The most common expenses reported on P11Ds for church ministers are heat/light and telephone.

Ministers should pay the heat/light bills direct to the energy supplier and be reimbursed by the church to save Class 1A National Insurance for the church. The minister will have to pay tax on the benefit but can reclaim 25% for using the manse as a place of work.

The telephone should be paid for by the church and the minister reimburse the church for personal calls to save the need for a reportable benefit. Line rental is usually classed as a benefit in kind.

Expenses bought on behalf of the employer (e.g. stationery, postage etc) are no longer reportable on P11Ds saving the need for employees to counterclaim on their tax returns.

Approved mileage rates remain at 40p per mile for the 1st 10,000 miles and 25p per mile thereafter.

“Allowances” are fully reportable e.g. a book allowance. However if the costs of specific allowable books are reimbursed then no benefit arises.

The deadline for submitting P11Ds is 6 July and for paying Class 1A NIC is 19 July.

