

Orange Genie Cover Limited

**BUSINESS**

**EXPENSES POLICY**

## Overview

Workers employed by Employment Intermediaries such as Umbrella Companies cannot claim for travel and subsistence costs as expenses and receive tax relief on those costs, if there is, (or the right to) supervision, direction or control (SDC) over the way in which they perform their work.

When you complete your registration with Orange Genie we will determine if your assignment is subject to Supervision, Direction and Control (SDC). Future assignments will also be assessed.

Depending on your personal circumstances and the classification of your employment you may be able to receive reimbursement for some of your Business Expenses through Orange Genie.

If you are unable to have your business expenses reimbursed you may still submit your expenses and we will collate the information to provide to you at the end of the tax year for your tax return.

## What are business expenses?

Business expenses are the costs you incur whilst performing the duties of an assignment whilst in our employment.

They must be reasonable and must have been incurred “wholly, exclusively and necessarily” in the performance of your work duties.

Business expenses **do not include**

1. *a private/personal expense*
2. *ordinary commuting / permanent workplace*
3. *an expense that has not been incurred*

*These expenses maybe reimbursable by us or alternatively you may be able to receive tax relief direct from HMRC – depending on your circumstances.*

## How do I benefit?

For allowable expenses being reimbursed by us Income tax and National Insurance is not applied.

## Verification and audits

As part of our robust control processes, we carry out checks on business expense claims in order to satisfy ourselves that we are not making tax free payments incorrectly.

We carry out a number of different checks, including

- Checking claimed mileage against route planners
- Comparing expense claims with timesheets.

At any time, we may have reason to remove an item from a business expense claim or disallow the entire claim.

- ✓ You must submit your claims weekly or monthly to match your pay frequency. We will not accept back dated claims.
- ✓ All expense claims must be for reasonable expenses that you have incurred wholly, exclusively and necessarily in performing your business duties.
- ✓ You cannot claim for expenses incurred before you became an employee of Orange Genie Cover Ltd.
- ✓ Where receipts are required, you must upload copies of the **VAT receipts** to correspond with your claim. The expense will not be allowed if you cannot produce a receipt.
- ✓ We will not approve your claim until we have received all necessary and correct information

When we receive your claim along with your uploaded receipts, for reimbursable expenses we verify that everything has been submitted correctly in line with our expense policy before approving your claim.

You will need to submit your claim and upload your receipts at least 24 hours before you expect to be paid for it to be approved and included in your pay.

**If you are submitting expense claims that cannot be reimbursed – these will not be approved by us – the information will be collated to produce an expenses statement for you at the end of the tax year.**

## Reimbursable Expenses

### *Relocation Expenses*

You may be able to claim reimbursement for some of your relocation costs if you have to move a reasonable distance to start your employment with us. The costs must be incurred **after** you have agreed to become an employee of Orange Genie and must be of a reasonable value.

These costs must be paid before the end of the next tax year after the costs have been incurred.

All receipts for this expenditure must be uploaded with your claim.

### **Allowable Costs**

- The cost of your travel from the place you were living to a location near to your new place of work.
- Accommodation costs incurred either the night before or night after your flight. i.e: hotel the night before an early morning flight.
- Any additional luggage costs incurred with the flight booking.
- Transport costs incurred due to the relocation travel i.e: any transport to and from the airport.

## Business Expenses Policy

### Business Mileage allowance

If you are travelling to a genuine temporary workplace for your assignment you will be able to claim reimbursement for your business mileage.

#### With supervision, direction and control

Mileage will not be allowed to your ordinary assignment workplace but will be allowed to other workplaces.

#### No supervision, direction and control

Mileage is allowable to your ordinary assignment workplace and other workplaces.

#### Mobile Worker

Mileage is allowable if you are a mobile worker, for example a Field Engineer but not from or to your home.

You must be adequately insured for the business use of your vehicle.

For use of your own vehicle, allowances are as follows

| Your vehicle type | For business miles in a tax year (starting 6 <sup>th</sup> April) |                   |
|-------------------|---|-------------------|
|                   | Up To 10,000 miles  | Over 10,000 miles |
| Car / Van         | 45p / mile  | 25p / mile        |
| Motorcycle        | 24p / mile  | 24p / mile        |
| Bicycle           | 20p / mile  | 20p / mile        |

**You must upload VAT receipts** for fuel. Please ensure that you ask for a VAT receipt from the retailer.

You need to provide sufficient fuel receipts to cover the mileage you claim, your expense claim form will calculate and display this value for you.

We accept that it is difficult to exactly match your fuel receipts to the amount claimed. Receipts can cover multiple claims and we will ensure that excess fuel receipts are carried over to subsequent claims.

### Work-related training

You can claim for the cost of training to maintain up to date skills that are relevant to your current assignment or prospective new assignments that are relevant to your work.

You must obtain our approval for the expenditure **before** you incur the cost.

**You must upload VAT receipts.**

### Expenses Allowable on a Tax Return

#### **Claiming tax relief on Expenses from HMRC**

If you are unable to have your business expenses reimbursed by us you may still submit your expenses and we will collate the information to provide to you at the end of the tax year.

You may be able to claim tax relief via HMRC if you have to use your own money for travel or things that you must buy for your job.

You can only claim relief on things that are used solely and exclusively for your work, and which you don't use in your private life.

You can't claim relief on things you've spent money on if you have already been reimbursed for those items.

You must keep records of what you've spent, and claim within 4 years of the end of the tax year that you spent the money.

#### **What Expenses you can claim tax relief on**

For further details of expenses you may be able to claim tax relief on please see the HMRC website

<https://www.gov.uk/tax-relief-for-employees/overview>

#### **Business Mileage and Fuel Costs**

You may be able to claim tax relief if you use your own vehicle on business or for fuel you buy when you use a hire vehicle.

If you have already received reimbursement by us you must not claim this from HMRC.

#### **Travel and overnight Expenses**

If you have to travel for your work you may be able to claim tax relief on the money you have spent on meals or overnight expenses, called subsistence.

You can't claim for travel expenses to your normal place of work, only if you are travelling to a temporary place of work.

Expenses you can claim tax relief on from your business journey to a temporary place of work are:

- public transport costs
- hotel accommodation if you have to stay overnight
- food and drink
- congestion charges and tolls
- parking fees
- business phone calls, fax and photocopying costs

You must keep all receipts for these expenses to satisfy HMRC requirements.

### Uniform, work clothing and tools

You may be able to claim tax relief on the cost of:

- buying, repairing or replacing small tools you need to do your job, eg scissors or an electric drill
- cleaning, repairing or replacing specialist clothing, eg a uniform or safety boots

You can't claim relief on the initial cost of buying work clothing.

You can either claim:

- for what you've spent - you'll need to keep receipts
- a 'flat rate deduction'

Flat rate deductions are set amounts that HM Revenue and Customs (HMRC) have agreed are typically spent each year by employees in different occupations – for example - BALPA (British Airline Pilots Association).

### Professional fees and subscriptions

You can reclaim tax on fees or subscriptions you pay to some [approved professional organisations](#) - but only if you must have membership to do your job or it's helpful for your work.

You can't claim tax back on fees or subscriptions you've paid to professional organisations not approved by HM Revenue and Customs (HMRC), or for:

- life membership subscriptions
- fees or subscriptions you haven't paid for yourself, ie your employer has paid for them

### Working at home

You may be able to get tax relief for some of the bills you have to pay because you have to work at home on a regular basis.

You can only claim for things to do with your work, eg business telephone calls or the extra cost of gas and electricity for your work area.

You can't claim for things that you use for both private and business use, eg rent or broadband access.

You don't need to provide records for claims of up to £4 per week (£18 per month). For claims over £4 per week you'll need to provide evidence of what you've spent.

### **How do I submit my expenses claim to Orange Genie**

You can submit your expense claim using our online portal and we will collate this information to provide a personal expenses statement each tax year. This will be sent to you after the end of each tax year, 5<sup>th</sup> April.

There is no requirement to upload your receipts with your claim – it is your responsibility to keep your receipts for expenditure – HMRC may request these.

Orange Genie will not be responsible for determining if the expenses are legitimate – this will be a HMRC decision.

### **How do I Claim – via HMRC**

#### Claims Up to £2500

If you are already using a <https://www.gov.uk/self-assessment-tax-returns> form you must claim your expenses via this method.

If you do not already complete a Self Assessment form and your allowable expenses are under £2500 for the tax year then fill in form [.Income Tax: tax relief for expenses of employment \(P87\) - Publications - GOV.UK](#)

#### Claims over £2500

You must claim via Self Assessment. <https://www.gov.uk/self-assessment-tax-returns>

### **How will I receive my tax relief**

#### Claims up to £2500

If your claim is £2,500 or less for the tax year, HM Revenue and Customs (HMRC) will usually make any adjustments needed through your tax code for the current tax year.

If you claim an estimated amount, HMRC will review it at the end of the tax year and make any adjustments needed through your tax code for the following year.

#### Claims over £2500

If your claim is over £2,500 for the tax year, HMRC will give you relief through your tax code for the current and next tax years, and will send you a tax return to fill in.

They will also check your tax calculation for the previous year.

**If you have any questions regarding our Expense Policy then please contact our Employee Support Department on 01296 489242 who will be happy to answer your questions**