



Providing Employees with Benefits | Deadline 05 July 2023

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In addition to a salary, do you provide your employees with additional benefits?

Have you considered the reporting requirements to HM Revenue & Customs?

Additional Benefits

These are things or services which you, or your employees, receive from your business in addition to salary, they include items such as; private healthcare, interest-free loans, cars, and vans.

As benefits are effectively an increase on an individual's salary, National Insurance contributions (NIC's) may need to be paid on them, by your business.

Reporting requirements

The annual P11D form allows you to report these benefits to HMRC. The responsibility for filing the P11D form, belongs to the employer and not the employee.

When do I need to file a P11D Form?

If you need to report benefits for the tax year ending on 5 April 2023, the P11D Forms must be completed and lodged with HMRC by 6 July 2023.

What should be included on a P11D Form?

Generally speaking, any items which the company pays for, and that the employee benefits from, needs to be included on the P11D form. Common benefits include:

- Company cars,
- Company vans,
- Loans, and
- Health insurance

Here is a comprehensive list: <https://www.gov.uk/expenses-and-benefits-a-to-z>.

Penalties for the Late Filing

If you miss the filing deadline of 6 July, as usual, HMRC will issue a penalty.

For each month that the form is not filed with HMRC, your business will incur a fine of £100 per month or part-month, per 50 employees.

Depending on how late the P11D form is filed, HMRC reserve the right to impose an additional tax-based penalty. A tax-based penalty is a penalty which is calculated as a percentage of the overall tax due; the percentage would be proportional to the lateness of filing.

CONTACT US

If you have any queries or need any advice, please do not hesitate to contact us on:

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