

How to complete your P87 form

Have you paid expenses related to your employment? You may be able to claim tax relief. We provide an example, showing you how to complete form P87, which you can use to claim tax relief on employment expenses.

You can use form P87 to make a claim for tax relief in certain circumstances:

- you are not within Self-Assessment – that is, you do not have to submit an annual tax return;
- you are an employee and you have spent your own money on allowable employment expenses (which are not then reimbursed by your employer); and
- your allowable employment expenses are less than £2,500 for the tax year.

If the claim is for the current tax year, HM Revenue & Customs (HMRC) will usually make an adjustment to your tax code. If the claim is for a previous tax year, HMRC may make a repayment by cheque – they will either send the cheque to you or you can ask them to send it to someone else (your nominee). Alternatively, you can ask for the repayment to be sent direct to your bank or building society.

You have four years from the end of the tax year to make a claim; so, for 2020/21, you must make a claim by 5 April 2025.

Q. I'm now working from home since the outbreak of coronavirus (COVID 19), Can I claim any expenses whilst working from home?

A. In short, the answer is yes but there are conditions that need to be met.

I am assuming that you are not currently receiving any expense allowance or reimbursement from your employer. It is always worthwhile checking with your employer to see whether they will agree to pay you the tax-free homeworking allowance currently £6 per week maximum, or pay or reimburse any other allowable costs you are incurring.

To help employers see what expenses they could pay employees during the Covid-19 outbreak, HMRC published guidance entitled '[Check which expenses are taxable if your employee works from home due to coronavirus \(Covid-19\)](#)'.

You can complete and submit [form P87 online through the Government Gateway](#), or you can choose to complete it onscreen and [post it to HMRC](#).

We use the annotated form plus example below to illustrate how you should complete the onscreen form P87. Please do not use the details provided in the example when completing your own form.



If you want to complete and submit the form online and have not got a Government Gateway account you can set one up as part of the claim process. This will also give you access to other [Government and HMRC online services](#) including your Personal Tax Account.

If you chose to [complete form P87 onscreen and post it to HMRC](#),. Once you complete the form, you should save it and print it, before signing and sending to HMRC. You should retain a copy of the completed form for your own records.

The onscreen form includes guidance, which you can access by clicking on the “question mark” radio buttons.

Please note that because the onscreen P87 form on GOV.UK is responsive to your answers, it may look different and show different options when compared to our

Example

John X, who was born 1 January 1968 (National Insurance number QQ 12 34 56 Q), was employed as an Area Manager by Superstore in 2018/19. John is a basic rate taxpayer. He lives at 1 ABC Road, with the post code AB1 2CD.

Superstore is based at 1 XYZ Road, with the post code AB2 3CD. It is a retailer. Superstore’s Employer PAYE reference is 123/A123 and John’s employee number, shown on his payslip, is 123.

John is not able to claim any tax relief in respect of flat rate expenses. He does not pay any professional subscriptions. His employer reimburses him for any hotel costs and meals, when he has to stay away from home for work.

John drives his own car for work, and he has to travel most days between different retail locations. In 2018/19 he does 12,000 business miles. His employer pays him mileage at the rate of 25p per mile, so he receives £3,000 in total. The HMRC mileage rates are 45p per mile for the first 10,000 business miles and 25p thereafter, so he can claim an extra 20p per mile for his first 10,000 miles (£2,000).

He will not receive a repayment of £2,000 – he will receive tax relief on the amount claimed. As John is a basic rate taxpayer, he will receive tax relief at the basic rate of tax of 20% on £2,000, that is £400.

John is making a claim for tax relief after the end of the tax year and he wants HMRC to send the repayment cheque direct to him.

Below is an annotated version of the postal form P87 to show how to complete the form using John’s details:



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About this form

If you complete this form you will have to print it and post it to HMRC.

Check if you can claim online instead.

If you're an employee use this form to tell us about employment expenses you have had to pay during the year for which tax relief is due.

Only fill in this form if your allowable expenses are less than £2,500 for the year.

If your claim is more than £2,500 you will need to fill in a Self Assessment tax return. Contact the Self Assessment Helpline on 0300 200 3310 or register at

www.gov.uk/log-in-register-hmrc-online-services

You must fill in a separate P87 for each employment for which you are claiming.

If you have not paid any tax during the year no refund will be due.

For guidance on completing this form go to 'How to fill in this form' at the top of the page.

Year of claim Tax year to 5 April 2019

Claim relates to 2018/19, so John has entered '2019'

Personal and employment details for which expenses claim relates

* indicates required information

Title Mr

John enters his name and title

Surname X

First name(s) John

Address

John enters his address, including post code; he can enter a contact telephone number if he chooses

Address line 1 1 ABC Road

Address line 2

Address line 3

Postcode AB1 2CD

Preferred contact telephone number

John enters his date of birth and NINO

Date of birth eg dd mm yyyy 01 01 1968

National Insurance number QQ 123456 A

John enters his employer's PAYE reference, which he finds on a payslip

Employer PAYE reference eg 123/A246 123/A123

Job title Area Manager

Employer name Superstore

John enters his job title and the name of his employer (note that this might not always be who you think it is if you work through an agency or other intermediary – you may have to check any paperwork you have been given to see who your actual employer is).



John enters his employer's address and post code and the industry in which they operate

Employer address

Address line 1	*	1 XYZ Road
Address line 2		
Address line 3		
Postcode	*	AB2 3CD
Type of industry	*	Retail
Employee number	*	123

John enters his employee number, which he finds on a payslip

Flat rate expenses

Flat rate expenses are claimed by individuals who incur expenditure on the maintenance, repair or replacement of **work equipment and specialist clothing**. These are agreed with the trade unions and are intended to represent the average annual expense incurred by employees. They are an alternative to claiming actual expenditure and there is no need to keep records, receipts or make annual claims.

Fill in 'Other expenses' section if you want to claim more than the flat rate expense - you'll need to keep records and receipts. If your employer reimburses any costs, this should be deducted from the allowable rate. For more information about the allowance rates for each industry, go to

www.gov.uk/tax-relief-for-employees/uniforms-work-clothing-and-tools

* indicates required information

John checks the 'No' button, as he does not wish to claim flat rate expenses

Do you wish to claim flat rate expenses? * Yes No

Vehicles and expenses of using your own vehicle for work

You can request tax relief for expenses if you use your own car, van or motorcycle for business mileage.

You cannot claim for miles travelled between your home and a permanent workplace. Most people only have one place where they go to work, that place is their permanent workplace, this is the case even if the employment is casual or temporary.

You cannot use this section to claim for miles travelled in a company vehicle – see Other expenses section.

Kind of vehicle	Rate
Car or van	45p per mile for the first 10,000 business miles 25p per mile after the first 10,000 business miles
Motorcycle	24p per mile (all business miles)
Cycle	20p per mile (all business miles)

Please note

- If your employer pays mileage allowance payments to you which are more than the rates shown in the table above, you will be liable to tax on the excess.
- Expenses directly connected to a business journey such as parking or tolls should be included in Other expenses section. These costs cannot be claimed if they are incurred during ordinary commuting to your normal workplace.
- For definitions of
 - 'business mileage' go to www.gov.uk/tax-relief-for-employees/business-mileage-fuel-costs
 - 'ordinary commuting' and 'permanent workplace' go to www.gov.uk/tax-relief-for-employees/travel-and-overnight-expenses
- You should keep records of your business mileage, including locations of journeys undertaken, distances travelled and the total amount of mileage allowance payments you've received.

* indicates required information



John checks the 'Yes' button, as his vehicle is a car. This causes further boxes concerning his mileage claim to appear on the form. He enters his total business mileage of 12,000 miles. The form then calculates the following five boxes, showing how much mileage allowance relief he is entitled to according to the HMRC rates – this totals £5,000

Calculating mileage allowance relief

Do you want to claim tax relief for using your own vehicle? * Yes No

Cars and vans

Do you want to claim tax relief for your own car or van? * Yes No

Total business mileage *

Mileage amount up to first 10,000 miles

Mileage multiplied by 45p

Mileage amount over 10,000 miles

Mileage multiplied by 25p

Maximum tax-free amount (cars and vans)

Motorcycles

Do you want to claim tax relief for your motorcycle? * Yes No

Cycles

Do you want to claim tax relief for your cycle? * Yes No

Mileage allowance relief

Maximum tax-free amount

Total mileage allowance payments received from your employer ? *

Total mileage allowance relief ?

John enters the £3,000 that he receives in mileage allowance from his employer, Superstore. The form calculates the total mileage allowance relief available to John (£2,000)

Professional subscriptions

Complete this section if you had to pay fees to carry on your profession or paid subscriptions to professional bodies related to your work.

* indicates required information



John checks the 'No' button, as he has not paid any fees or subscriptions

Have you paid fees or subscriptions? Yes No

Hotel and meal expenses

Accommodation, meals and business phone calls in hotels may be allowable, but newspapers, bar bills, personal phone calls and laundry will not be. You must keep records and receipts.

Amount you have spent on hotels and meals on business trips

For each overnight stay give the date, where you stayed and the amount you spent. For frequent business trips, give the total number of stays and amounts spent for the year.

* indicates required information

Do you want to claim any hotel or meal expenses? Yes No

John checks the 'No' button, as his employer fully reimburses him for any accommodation and meal expenses related to his employment

Other expenses

Complete this section if you have incurred any other allowable expenses in your employment excluding business entertainment. For details of allowable expenses, go to

www.gov.uk/tax-relief-for-employees

Company vehicles

If you pay for fuel whilst using a company vehicle for business journeys you can claim for the actual cost of business fuel but only if any amount reimbursed by your employer is less than your actual business fuel cost. The calculation of your claim must use your actual fuel costs and not any set mileage rates published by us or any other organisation. Please attach a summary of your calculation with any claim.

The mileage rates in the section 'Vehicles and expenses of using your own vehicle for work' are designed to cover the total cost of using your own vehicle; you cannot claim any further general motor expenses such as MOT, tyres, etc.

* indicates required information

Have you incurred any other allowable expenses? Yes No

John checks the 'No' button, as he does not wish to claim for any other expenses related to his employment

General expenses

If you received general expense allowances from your employer, rather than separate amounts for individual expenses, enter the total amounts received and the types of expenses covered.

* indicates required information

Have you received general expenses? Yes No

John checks the 'No' button, as he does not receive a general expense allowance from his employer



Total expenses

This section has worked out the total amount of expenses that you are claiming.

* indicates required information

Total net allowable expenses you are claiming for the year

The form calculates the total amount of expenses for which you are claiming tax relief. John's claim is £2,000

How you want to be paid

Not everyone gets a refund. If we owe you any money, we can either pay it to you or someone else on your behalf. This is known as a nominee.

* indicates required information

Who do you want the cheque made payable to? Make the cheque payable to me I authorise the cheque to be payable to my nominee

John checks the button to ask that HMRC send the cheque to him. He has to re-enter his home address at this point

Address to send the cheque to

Address line 1

Address line 2

Address line 3

Postcode

Declaration

You should complete and sign the declaration after you have printed the form. However, if you are going to sign it straight away, you can complete the rest of the declaration now if you prefer.

The information given on this form is true and complete to the best of my knowledge and belief. If you give false information you could be prosecuted.

I claim repayment of any tax due.

Signature

Full name

Date eg dd mm yyyy

What to do now

Do not send any paperwork with this form unless you are claiming fuel costs in a company car (see 'Other expenses' section of this form). Before you send this form to us, we recommend that you print an extra copy to keep for your records. We may need to write to you for more information to support your claim.

When you have printed the form, please:

- complete, sign and date the declaration
- send the completed form to:

Pay As You Earn and Self Assessment
HM Revenue and Customs
BX9 1AS

John saves the form and prints it off, by clicking the "preview" button. He should now sign the form, print his full name in block capitals and enter the date of completion, before sending to HMRC. He should also keep a copy of the completed form for his own records

Printing your form

Clicking the 'Preview' button will create a form for you to print and post.