

Expenses

Claiming expenses

It's easy! All you need to do each month is go online (<https://members.tarpon-uk.com>), complete the simple expenses claim and post your receipts to us. That's it. We haven't gone into details about how to use the online form, as it really is a piece of cake. Just follow the step-by-step instructions on each page.

This simple A to Z guide will help you claim everything you're entitled to, and help us pay your expenses into your account as quickly as possible. The fast-track guide lets you know what you can claim. The handy index opposite will show you exactly where to find the info' you need.

A key reason you've chosen Tarpon is to be able to take home more of what you earn, and to be able to take advantage of our expenses policy. Just follow the easy guidelines in these pages, and you'll soon be more tax efficient. And, if you still have queries simply contact your personal business manager.

Tarpon

Tivoli House
Wigmore Park District Centre
Luton
LU2 9XG

Call: 0845 643 1580
E-mail: expenses@tarpon-uk.com
Visit: tarpon-uk.com

Company registration number 6324371

A to Z INDEX

24-month rule (see 'Secondments and transfers')	9	Membership fees (see 'Subscriptions')	10
Accommodation, meals and subsistence	5	Mileage rates (see 'Vehicles – using your own')	11
Airport parking (see 'Parking')	8	Mobile phones (see 'Telephones – mobile')	10
Air travel	5	Non-business journeys	7
Allowable business journeys	5	Ordinary commuting journeys	8
Annual membership fees/dues (see 'Subscriptions')	10	Parking	8
Appendices	13	Permanent workplaces (see 'Workplaces')	12
Area-based staff	5	Personal incidental expenses (PIEs)	8
Authorisation	6	Personal protection equipment (see 'Larger purchases')	7
Bicycles (see 'Vehicles – using your own')	11	Petrol (see 'Vehicles – using your own')	11
Broadband (see 'Internet')	7	Phone calls (see 'Telephones – home/mobile')	10
Business journeys (see 'Allowable business journeys')	5	PIEs (see 'Personal incidental expenses')	8
Car clamping (see 'Parking')	8	Postage	8
Carphones (see 'Telephones – mobile')	10	Professional subscriptions (see 'Subscriptions')	10
Car hire (see 'Vehicles – hiring')	11	Rail/Ferry travel	8
Car use (see 'Vehicles – using your own')	11	Rates for mileage (see 'Vehicles – using your own')	11
Commuting (see 'Ordinary commuting journeys')	8	Rationale letters (see 'Larger purchases')	7
Currency claims	6	Rationale letter – sample (Appendix 3)	20
Customs & Excise (see 'Value Added Tax /VAT')	10	Receipts	8
Diesel (see 'Vehicles – using your own')	11	Record-keeping	9
Dispensation	6	Refuelling (see 'Cars – hiring a vehicle')	11
Dues for professional memberships (see 'Subscriptions')	10	Relocation	9
Entertaining	6	Rental cars (see 'Cars – hiring a vehicle')	11
Equipment purchases (see 'Larger purchases')	7	Road tolls (see 'Tolls')	10
Eurostar (see 'Rail/Ferry travel')	8	Schedule of expense claims	9
Excess baggage (see 'Air travel')	5	Secondments and transfers	9
Exchange rates (see 'Travel abroad')	6	Site-based staff	9
Fast-track guide to claims	4	Software purchases (see 'Larger purchases')	7
Ferries (see 'Rail/Ferry travel')	8	Speed cameras/fines (see 'Parking' and 'Cars')	8
Fines (see 'Parking' and 'Cars')	8	Stamps (see 'Postage')	8
Flying (see 'Air travel')	5	Staying with friends & family (see 'Accommodation')	5
Food (see 'Accommodation, food and subsistence')	5	Subscriptions	10
Foreign currency (see 'Travel abroad')	6	Subsistence (see 'Accommodation, food & subsistence')	5
Friends & family allowance (see 'Accommodation')	5	Sustenance (see 'Accommodation, food & subsistence')	5
Fuel (see 'Vehicles – using your own')	11	Tax rules	10
Ground transportation to/from airports	7	Taxis (see 'Ground transportation')	7
Hardware purchases (see 'Larger purchases')	7	Telephones – home	10
Hiring vehicles (see 'Vehicles – hiring/using your own')	11	Telephones – mobile	10
Home	7	Temporary workplaces (see 'Workplaces')	12
Home-to-work travel (see 'Ordinary commuting journeys')	8	Tolls	10
Hotels (see 'Accommodation, food & subsistence')	5	Transfers (see 'Secondments and transfers')	9
HM Revenue & Customs dispensation (see 'Dispensation')	6	Travel abroad (see 'Currency claims')	6
HM Revenue & Customs dispensation letter	22	Travel and subsistence rules, HMRC (Appendix 1)	13
Incidentals (see 'Accommodation, food & subsistence')	5	Travel to airports (see 'Ground transportation')	7
Internet	7	Value Added Tax /VAT	10
Larger purchases	7	Vehicles – hiring	11
Le Shuttle (see 'Rail/Ferry travel')	8	Vehicles – using your own	11
Lost receipts (see 'Receipt')	8	When to claim (see 'Schedule of expense claims')	9
Mail (see 'Postage')	8	Where to send receipts (see 'Receipts')	8
Meals (see 'Accommodation, food and subsistence')	5	Workplaces	12

Our dispensation means your business expenses can be reimbursed without any tax or National Insurance implications, but only if you follow the instructions in this guide.

It is in your best interests not only to follow them but also to use good judgement to claim only for necessary and reasonable expenses related to the performance of your duties.

Not following these guidelines may lead to you coming into the HMRC spotlight and you having to pay tax and national insurance on taxable benefits.

Online claims should be submitted within 30 days of your travel or expenditure; you will also need to send your original receipts and expenses form to your business manager (only expenses which require a receipt).

We recommend you use recorded delivery whenever sending original receipts. If we don't get your receipts on time, payment into your account will be delayed. Your Welcome Pack includes a schedule of dates for the current year, and you will receive updates as the year progresses. If you can't find your schedule, please visit tarpon-uk.com or ask your personal business manager for one now.

Claims for any expenditure not covered by these guidelines can only be accepted if you receive authorisation in advance. Speak to your personal business manager.

Only claim once

If you send us a claim for a business expense, never claim for the same expense from another source.

After completing your expenses online, print out a copy and file it with any receipts that you are not required to submit to Tarpon. It is in your own interests to keep records of business journeys so that you can substantiate your claims and complete your tax return if HMRC sends one to you. For self-assessment purposes, you will need to retain your records for at least three years.



You will not need to submit your receipts, but should file them with your own records.



You will need to submit your receipts

Accommodation

Tip: If staying in overnight accommodation, you are entitled to an allowance for certain personal expenses – £5 per night in the UK and £10 per night abroad. For further details, see the separate heading, Personal Incidental Expenses (PIEs).

Air-travel claims

Tip 1: You can claim excess baggage charges only if you need to carry substantial business material.

Tip 2: See the 'Parking' section if you wish to leave your car at or near the airport.

Tip 3: If staying in overnight accommodation in the UK or abroad, you are entitled to an allowance for certain personal incidental expenses. See the separate heading 'Personal Incidental Expenses (PIEs).'

Tip 4: To confirm that you are eligible to make a claim for a particular journey, it may be useful to refer to the 'Allowable business journeys' and 'Non-business journeys' sections.

Tip 5: Expenses in foreign currency should be claimed in sterling. On each receipt you will need to write the sterling equivalent, the exchange rate, and a description of the expense.

Accommodation, meals and subsistence

You may claim for hotels and other accommodation at/near a temporary workplace, but never near a permanent workplace. You may stay in standard single-occupancy rooms in a reasonable-quality hotel, typically a three-star hotel. Should a stay in a more upmarket hotel be necessary, only the amounts given below may be claimed. You may also claim an allowance for the cost of accommodation and meals when staying with friends and family. Further details are given below.

Overnight accommodation and subsistence (when working away from home)



Bed & breakfast	
-----------------	--



Friends & family allowance (accommodation & meals)	£25
--	-----



Meals (when travelling from home to work)

Breakfast		
(When leaving home before 7:30am)	London	£6
	Elsewhere in UK	£5
Lunch		
	London	£7
	Elsewhere in UK	£6
Evening Meal		
(If still at temp. workplace after 6:30pm)	London	£11
	Elsewhere in UK	£10



Air-travel claims

We will reimburse you for the lowest available airfare as determined by the airline.



Allowable business journeys

For tax and National Insurance purposes, an allowable business journey is one for which there is a 'genuine business reason', but cannot be 'ordinary commuting' between your home and a permanent workplace.

Allowable business journeys are those between places you have to visit in the performance of your duties. Journeys between locations that are defined as being 'permanent' or 'temporary' workplaces are normally allowable.

Area-based staff

If your duties are defined by reference to a geographical area, HMRC may regard the whole of that area as your permanent workplace. This definition is typically applied to, for example, customer service representatives and directors. Mileage payments can be claimed for travel within the area, including for journeys starting at home if you live within the area. But if you live outside the area, you cannot claim for the mileage between your home and the area's boundary, only for mileage within the area.



Authorisation

Where authorisation is required, it is noted under the relevant headings in this guide. You may also find it useful to read the text under ‘Larger purchases’.

We’ve made things as easy and flexible as possible, and you’ll find you do not need prior authorisation before making most normal purchases. But where authorisation is needed, call your personal business manager and get authorisation before spending any money. It is your responsibility to ensure relevant claims are correctly authorised.



Currency claims

Claims in foreign currencies should be made in sterling. On each receipt write the sterling equivalent, the exchange rate, and what the receipt is for.



Dispensation

Our HMRC dispensation allows you to claim your business expenses without any tax or National Insurance implications, but only if you follow the instructions in this guide. Not following them may lead to you being assessed by HMRC and having to pay tax on all your taxable benefits.

A copy of our HMRC dispensation is reproduced on page 22.

Entertaining

Tip 1: When entertaining abroad, your claim should be made in sterling. On each receipt you will need to write the sterling equivalent and the exchange rate, as well as a description of the expense.

Tip 2 Customer details should be noted on the expense claim. Include names, positions and companies of each customer, and the business reason for the entertainment. The names of all Tarpon employees attending should be added.



Entertaining

You may claim for business entertaining expenses that have been approved in advance by Tarpon. You will be reimbursed when entertaining non-Tarpon personnel if the entertainment meets one or more of the following criteria:

It is directly related to the active conduct of Tarpon’s business.

It is directly preceded or followed by a substantial and bona fide business discussion (including business meetings at a conference or similar), and is associated with the active conduct of Tarpon’s business.

It consists of a business meal or event in a place conducive to a business discussion, where others present are engaged in a business discussion or activity and have a relationship to the company’s business.

Ground transportation to/from airports

Tip: You will need to claim in sterling for transportation costs abroad. On each receipt you should write the sterling equivalent, the exchange rate and a description of the expense.



Ground transportation to/from airports

You are encouraged to use the most cost-effective service to and from airports, such as airport shuttle buses and hotel courtesy coaches. Taxi charges will be reimbursed where alternatives are impractical or unavailable.

We've made things as easy and flexible as possible, and you'll find you do not need prior authorisation before making most normal purchases. But where authorisation is needed, call your personal business manager and get authorisation before spending any money. It is your responsibility to ensure relevant claims are correctly authorised.

Home

To HMRC, 'home' is where you normally live and the place from which your journeys usually start. Home may also be another place, such as a relative's home, as long as your journey starts there. Home cannot be a workplace.

Internet

You may not claim for any Internet-related costs.

Larger purchases

Tip: To make things easy for you, a draft rationale letter is reproduced on page 22, or you may download one from tarpon-uk.com.



Larger purchases

If you wish to claim for purchases not covered elsewhere in this document, you will need to send us a rationale letter explaining why the purchase is necessary to enable you to perform your duties. You shall also have to detail what it is you wish to purchase and await authorisation. Typical items covered include hardware, software and personal protection equipment.

Such claims can be made after you have completed three months with Tarpon, and will be paid following an additional three months with us. In other words, payment for larger purchases will only be made to those who have been with Tarpon for a minimum of six months.

Non-business journeys

Tip: Check out the 'Workplaces' heading for HMRC's definitions of temporary and permanent workplaces.

Non-business journeys

You may not claim for:

Any journey between home and your permanent workplace, even if the travel takes place at weekends or outside normal working hours.

Any journey for which there is not a genuine business reason.

Journeys that are 'substantially' similar to ordinary commuting journeys, generally where a temporary workplace is less than 10 miles away from your permanent workplace.

Ordinary commuting journeys

Tip: To confirm that you are eligible to make a claim for a particular journey, it may be useful to refer to the 'Allowable business journeys' and 'Non-business journeys' sections.

Parking

Tip: Take care where and when you park. You will not be reimbursed for parking fines or clamping charges.

Postage

Tip 1: Tarpon supplies post-paid envelopes for your timesheets, so simply call your personal account manager when you need more.

Rail/Ferry

Tip 1: Expenses in foreign currency should be claimed in sterling. On each receipt you will need to write the sterling equivalent, the exchange rate, and a description of the expense.

Tip 2: To confirm that you are eligible to make a claim for a particular journey, it may be useful to refer to the 'Allowable business journeys' and 'Non-business journeys' sections.

Receipts

Tip 1: Always use a separate envelope for your receipts and never include them in the same envelope with your timesheets, as it may cause delays to your payments.

Tip 2: If you send us a claim for a business expense, never claim for the same expense from another source. It may lead to you coming into HMRC's spotlight and you having to pay tax on taxable benefits.

Ordinary commuting journeys

Also referred to as 'home-to-work travel', this refers to any travel between a permanent workplace and home, or any other place that is not a workplace, such as a relative's home. No claims can be made for ordinary commuting journeys.



Parking

Reasonable parking charges incurred while you're on company business may be claimed for. When flying, if cost-efficient ground transportation to the airport is not available, long-term or off-airport parking should be used for trips expected to exceed one night's stay.



Personal Incidental Expenses (PIEs)

If staying in overnight accommodation, you are entitled to a nightly allowance of £5 in the UK and £10 abroad to cover the costs of certain personal incidental expenses. These include: dry cleaning/laundry, private telephone calls, alcoholic drinks, newspapers and videos.



Postage

You may claim for business-related postage, including for sending Tarpon your receipts by Recorded Delivery.



Rail/Ferry travel

You may claim for the lowest available fare in standard class. This includes Le Shuttle and Eurostar services.

Receipts

As soon as you have submitted your online expenses, please:

- Securely clip or staple together your original receipts (for items which require a receipt to be sent to us).
- Complete an expenses claim form detailing all your receiptable expenses. You can find these in your welcome folder. Tarpon cannot be held responsible for 'anonymous' receipts.
- Ensure that any foreign currency receipts have the sterling equivalent and the exchange rate written on each receipt, and identify what each receipt is for.
- Then post them, without delay, by Recorded Delivery (which you can claim as an expense), to your business manager at:

Expense Department, Tivoli House, Wigmore Park District Centre, Luton LU2 9XG

The relevant entries in this guide let you know whether or not you need to submit receipts to Tarpon. But even when you don't need to send them to us, please do file your receipts with your own records.

Record-keeping

After completing your expenses online, we recommend you print out a copy and file it with any receipts that you are not required to submit to Tarpon.

It is in your own interests to keep records of business journeys so that you can substantiate your claims and complete your tax return if HMRC sends one to you. For self-assessment purposes, you will need to retain your records for at least three years.



Relocation

You may be able to claim for some relocation expenses should you relocate at the company's request, and if these expenses are approved in advance.

Schedule of expense claims

Your Welcome Pack includes a schedule of dates for the current year, and you will receive updates as the year progresses. If you can't find your schedule, please ask your personal business manager for one now, or visit tarpon.com



Secondments and transfers

If you are working away from your permanent workplace, or if you are based at customer sites, you may claim your journeys between home and that site as business travel provided it is expected that you will visit any particular site for less than 24 months, and in fact do so. As soon as you expect to spend more than 24 months at any one site you must contact your personal business manager for further guidance.

The '24-month rule' applies, for example, to engineers based at a customer site, provided that at the start of a posting from a permanent to a temporary workplace it is known that the placement will not exceed 24 months. In such a case, expenses and business mileage can be claimed. However, it should be noted that you cannot claim for journeys that are 'substantially' similar to ordinary commuting journeys, generally where a temporary workplace is less than 10 miles away from your permanent workplace.

There is an exception to be aware of. If you spend the whole period of your employment at one temporary workplace, HMRC will seek to establish that workplace as a permanent workplace. As a result all travel from home to the site will be retrospectively treated as private mileage, with tax and National Insurance Contributions applied.

Site-based staff

This refers to staff working at a temporary workplace, such as a customer site, for up to 24 months. After that time, they may move to another site, or return to a permanent workplace.

Subscriptions

You may claim for subscriptions to professional bodies in cases where Tarpon deems the membership necessary for the better performance of your duties. Approval is needed, so check first with your personal business manager.

Tax rules

HMRC's tax rules under Tarpon's dispensation ensure that 'allowable business journeys and expenses' attract tax relief and are therefore not taxed. Where tax relief is not available, any amounts paid are subject to tax.

As long as you follow the guidelines in this document, you can take full advantage of the dispensation. If you don't, you are likely to be assessed by HMRC and have to pay tax on all your taxable benefits. Tarpon may also incur avoidable tax and penalties.

Telephones – home

You may claim the full cost of telephone calls, including VAT, for any business calls you make. **You will need to submit the first page of your telephone bill, showing VAT, and all business calls being claimed must be highlighted on the itemised billing.**

Telephones - mobile

You may claim the full cost of mobile phone and carphone calls, including VAT, for any business calls you make. **You will need to submit the first page of your telephone bill, showing VAT, and all business calls being claimed must be highlighted on the itemised billing.**

Tolls

You will be reimbursed for road, tunnel and bridge tolls when travelling on a business journey. **You will not need to submit receipts.**

Value Added Tax/VAT

You cannot claim back Value Added Tax on your purchases. If you wish to claim for something that requires a VAT receipt, you must submit one. However, if you don't have one and still wish to claim, you will need to contact your personal business manager before submitting any claim.

When completing the online expense claim, Value Added Tax will be automatically calculated, using rates and calculations agreed with HMRC.

Tolls

Tip: To confirm that you are eligible to make a claim for a particular journey, it may be useful to refer to the 'Allowable business journeys' and 'Non-business journeys' sections.

Vehicles - hiring

Tip 1: By filling the hire vehicle with fuel before returning it, you'll benefit from the tax benefits on the fuel, and can save a significant amount on the total fuel cost.

Tip 2: Remember to take your driver's license when collecting a vehicle.

Tip 3: You may not claim for speeding fines, parking fines or clamping charges.

Tip 4: When hiring a vehicle abroad, your claim should be made in sterling. On each receipt you will need to write the sterling equivalent, the exchange rate and a description of the expense.

Tip 5: To confirm that you are eligible to make a claim for a particular journey, it may be useful to refer to the 'Allowable business journeys' and 'Non-business journeys' sections.

Tip 6: For other vehicle-related expenses, such as parking fees, check out the index on page 3.

Vehicles - using your own

Tip 1: You must be adequately insured for any damage done to your own vehicle while on company business.

Tip 2: Take care, you're important to us. You will not be reimbursed for speeding fines, parking fines or clamping charges.

Tip 3: To confirm that you are eligible to make a claim for a particular journey, it may be useful to refer to the 'Allowable business journeys' and 'Non-business journeys' sections.

Tip 4: For other vehicle-related expenses, check out the index on page 3.



Vehicles – hiring

As long as you're travelling on business, we will reimburse reasonable vehicle rental costs.

If you use the vehicle for extra days when you are not on company business, you may not claim the additional hire fees and you will not be covered by Tarpon's insurances.



Vehicles – using your own

If you use your own vehicle, motorcycle or bicycle when travelling on company business, you will be reimbursed at the following rates:

Vehicle type	First 10,000 business miles	Business mileage over 10,000 miles
Car/van	40p per mile	25p per mile
Motorcycle	24p per mile	24p per mile
Bicycle	20p per mile	20p per mile

Claims for journeys between temporary and/or permanent workplaces are usually allowable in full.

If you travel direct from your home to a temporary workplace (and/or return) the mileage you can claim is the total distance travelled, provided your journey is not 'substantially similar to ordinary commuting'. Broadly, a temporary workplace must be at least 10 miles away from your permanent workplace for the journey to qualify as a business journey.

If HMRC views you as 'area-based staff' (see the separate heading), mileage can be claimed for travel within the relevant area, including journeys from your home if you live within the area. However, if you live outside the area, only business mileage within the area can be claimed. Travel between home and the area boundary cannot be claimed as tax-free mileage.

If you are working away from your permanent workplace, or if you are based at customer sites, you may claim your journeys between home and that site as business travel only if it is expected that you will visit any particular site for less than 24 months, and in fact do so. As soon as you expect to spend more than 24 months at any one site you must contact your personal business manager for further guidance. Further details can be found under the 'Secondments and transfers' heading.

Workplaces

The following paragraphs explain HMRC's definitions of permanent and temporary workplaces. You may also find it useful to look at the flowchart on page 19 (Appendix 2).

Permanent workplace (PW)

This is a place where you regularly go for the performance of your duties of employment. This includes somewhere you may attend frequently or where your attendance follows a pattern.

Within Tarpon, the definition includes a base from which you work or a place where you are routinely allocated tasks.

If your duties are defined by reference to a geographical area, HMRC regards the whole of that geographical area as your permanent workplace. Further information can be found under 'Area-based staff'.

Most employees will have only one permanent workplace, but HMRC may consider you have a second permanent workplace if: you regularly perform a significant part of your duties there; other staff would expect to contact you at the second location; or you have an office, desk and support services at the second workplace that you regularly use.

Temporary workplace (TW)

This is a place where you go to perform a task of limited duration or for a temporary purpose. Examples of such tasks include maintenance or repair work at a customer's site, or attending a meeting.

Even if you attend a workplace regularly, it will still be classed as a temporary workplace if you visit to perform a task of limited duration or for other temporary purposes.

There is no limit on the number of temporary workplaces you may have.

If you regularly attend a temporary workplace for up to 24 months, you may still be eligible to claim tax relief.

If, after reading these explanations and consulting the flowchart on page 18, you are still unsure about whether your workplaces are permanent or temporary, please call your personal business manager.