

## How To Claim Your Weekend Away



The annual business trip to Barcelona is on the horizon and you always wanted to stand in awe at the La Sagrada Familia and take a stroll down Las Ramblas. Or maybe you have a conference in the Lake District and wanted an extra day away to escape the hustle and bustle of the concrete jungle?

Juggling business trips and some leisure time can be difficult in the first place but trying to work out what that means for your business's tax returns is a whole other ball game. Thankfully, we've read the rulebook for you, so you can get the answers without the headaches – and just maybe enjoy a legal tax-deductible break.

### What HMRC Say

Most businesses send their staff away on trips. These trips could be for different reasons such as conferences, meetings, visiting suppliers or even staff training. The trips may have different purposes, but they all fall under the umbrella of being business related. Since they are business related, on most occasions the transportation costs of these trips are tax deductible. If you travel abroad for business trips then all your transportation costs can be claimed back.

Sometimes staff need to take longer trips due to the distance they need to travel to attend an event or the event may stretch over a few (consecutive) days. This leads to the temptation to extend your stay in these locations and enjoy an additional break, especially if the trip ends just before the weekend. The good news is that there are different situations when personal travel expenses within the overall business trip are also tax deductible. This means you can enjoy a break within the business trip and claim these costs back as well. These are:

- If staying at your hotel another night makes travelling home cheaper, the extra night of accommodation can also be claimed back as a business expense because it saves money overall.
- Sometimes business trips may make up multiple events or meetings. For example, you may need to attend a meeting on Friday afternoon and another meeting with the same business partners on Monday morning. In situations where travelling home between these meetings is not possible because of time constraints or because it would cost more to travel again, you can also claim those in-between days as business expenses.

The bottom line with these situations does not defer away from the need to ensure the business trip is genuinely for the purpose of your business. However, what you get up to visiting and exploring in your free time is of no concern to HMRC. This also means the costs incurred from your leisure time such as boat trips, spa days and city tours are not to be claimed as part of the business trip.

Earlier we mentioned that all your transportation costs can be claimed back when business trips take you overseas. This is true if your trip lasts for one week or less, but HMRC will want a detailed account of business costs and personal costs for business trips that are longer than seven days.

### **What About Your Other Half?**

Packing your files, reports and finalising a presentation may not have your better half jealous, but as soon as you add your factor 50 and your swimwear to your suitcase it may be a different story. So, can they come with you too?

For your partner to join you on a business trip with their expenses covered, they must also have a business purpose. This means they need to be a staff member with a genuine reason for tagging along. If they do not qualify as having a business purpose, then they could always join you on the trip and fund it themselves. In doing so they do not prevent your costs from being tax deductible expenses.

It is recommended not to mix up the two of your expenses. For example, if on the trip you go to a restaurant and you add your partner's paella and sangria to the company credit card, you will have to then pay that back to the company and things can get messy. One positive is that expenses from taxi rides that you both take that are primarily for your business needs can be left as such and you do not need to reimburse the company for these.

### **The Boring but Important Bits**

To ensure that you can prove to HMRC that your trip was for business needs – and pass their “wholly and exclusively” test, you need to complete a number of things. If you do these admin tasks correctly and accurately there is no chance of being penalised following HMRC challenges. So, what do you need to do?

**Minutes** – record the boardroom minutes of the conversation leading to the business trip. The idea behind these minutes is to evidence that the trip was agreed with the company and it has a genuine business motive.

**Invoices** – keep a record of the invoices from the trip. It is advised to ensure that invoices are addressed to the company rather than an individual. It is even more advised to pay for costs using a company credit card.

**Business accounts** – simply add the costs of the business trip into the company books under a heading such as “travel costs”. Use these recordings to fill out your tax return accurately or to send to your business accountant who will be able to claim the expenses back for you.

### **Get Further Help with Partner Accountancy**

To get help claiming your weekend away and other expenses choose Partner Accountancy. We live by the philosophy that accountants should be more than just bookkeepers. We work in the same way as a business partner and truly care about your business’s performance. [Get in touch](#) to discover how we can help you!