



# **Bookkeepers' P11D and P11D(b) Links Tax Year 2025/26**

***A dedicated report for bookkeepers –  
exclusively for ICB members***

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## Introduction

Bookkeeping professionals are (or will be) preparing for P11D submissions for tax year 2025/26 (due by 06 July 2026).

As guidance and advice documents are not in one place, ICB has consolidated this for the benefit of members.

## General Advice

HMRC produces a range of overview documents, for example:

- [Expenses and benefits for employers](#) (an overview, deadlines, reporting etc)
- [Expenses and benefits: A to Z](#)

## Payrolling

Bookkeepers must be aware of the concept of [payrolling](#), i.e. putting taxable expenses and benefits through the payroll each time it is run. This avoids the obligation to produce the P11D (but not the P11D(b) for Class 1A National Insurance Contributions).

Payrolling becomes mandatory from tax year 2027/28, so there will still be a P11D obligation for the current tax year 2026/27.

Importantly, the [option](#) to apply to voluntarily payroll for the following tax year has been removed from 06 April 2026. Employers can only payroll taxable expenses and benefits in tax year 2026/27 if they registered before the service closed.

## The P11D, P11D(b) and Payrolling Guidance

There are vital two documents we have been relying on for years and the concepts will not cease to be relevant in 2027/28:

1. The 480 and
2. The 490

In addition, though, HMRC has produced interim guidance and draft legislation that explains the real-time application of payrolling that converts an annual liability into one that applies every time an employee is paid.

### **Booklet 480**

This is an extensive online [document](#) that explains the tax law relating to expenses payments and benefits received by directors and employees. It is separated into the following chapters:

1. [Legal background to expenses payments and benefits](#)
2. [Exemption for paid or reimbursed expenses](#) (plus see appendix 8 below);
3. [Tax treatment of expenses payments](#);
4. [Taxable benefits and facilities](#) (though see below where '*facilities*' are broken down further);
5. [Non-taxable payments and benefits](#) (see also appendix 5 (re relocation expenses) and 9 (re work-related training));
6. [Valuation of company benefits](#) (that do not have a dedicated section below);
7. [Deductions for work expenses](#) (e.g., expenses in the performance of the employment);
8. [Travelling and subsistence expenses](#) (with reference to the [490](#) on employee travel);
9. [Expenses for employees carrying out international work](#);
10. [Work expenses for spouses accompanying employees on business trips](#);
11. [Cars and vans available for private use – when a benefit charge is incurred](#);
12. [How to work out the benefit of a company car](#) (see P11D Working Sheets);
13. [Taxable fuel provided for company cars and vans](#) (see P11D Working Sheets);
14. [Company vans available for private use](#) (see appendices 1 and 2 and P11D Working Sheets);
15. [Use of company pooled cars or vans](#);
16. [How to tax mileage payments for employees](#) (see appendix 3 and P11D Working Sheets);
17. [Beneficial loans](#) (see appendices 4 – 6, P11D Working Sheets and [HMRC Official Rates](#));
18. [Scholarships](#);
19. [Tax not deducted from remuneration paid to directors](#);
20. [Taxation of entertainment expenses](#) (for entertaining clients and gifts);
21. [Company provided living accommodation](#) (see [HMRC Official Rates](#) and P11D Working Sheets);
22. [Company mobile phones](#);
23. [Employment related securities and arrangements](#);
24. [End of year procedures to be followed by employer and employee](#);
25. [Guidance on completion of forms P11D](#);
26. [Remuneration in non-cash form](#); and
27. [Non-cash benefits](#)

## **480 Appendices**

These might be helpful examples and advice documents:

1. [Company car benefit examples](#);
2. [Company car benefit – the appropriate percentage](#);
3. [Mileage Allowance Payments](#);
4. [Beneficial loan arrangements](#);
5. [Qualifying loans](#);
6. [Taxation of beneficial loan arrangements](#);
7. [Relocation expenses](#);
8. [Incidental overnight expenses](#);
9. [Work-related training](#);
10. [Self-Assessment – expenses and benefits](#);
11. [Employer Supported Childcare](#); and
12. [Optional remuneration arrangements](#) (which could affect any of the above)

## **Booklet 490**

The online [490](#) '*Tax and National Insurance contributions for employee travel*' contains 12 chapters:

1. [Overview of tax and National Insurance contributions for employee travel](#);
2. [When travel qualifies for tax relief](#);
3. [Ordinary commuting and private travel](#);
4. [Safeguards against abuse of employee travel tax relief](#);
5. [Business journeys tax relief](#);
6. [National Insurance contributions and employee travel expenses](#);
7. [Special tax rules on foreign travel](#);
8. [Tax rules on other types of travel and related expenses](#);
9. [Employers' reporting requirements for travel expenses](#);
10. [Expenses exemption and PAYE Settlement Agreements](#);
11. [Employer compliance for travel expenses](#); and
12. [Employees' responsibilities for travel expenses](#)

Plus 1 appendix and 1 glossary of terms:

- [Appendix A – table of reporting requirements](#); and
- [Glossary of terms for tax and National Insurance contributions for employee travel](#)

## **Payrolling**

This has 4 sections and is interim, i.e. it is not final:

1. [Content](#);
2. [Annex 1](#) (examples);
3. [Annex 2](#) (draft legislation); and
4. [Annex 3](#) (additional RTI fields expected from April 2027)

## Further Useful Links

### [The P11D and P11D\(b\) Forms](#)

Note that these must be completed and submitted electronically. See:

- [How to complete forms P11D and P11D\(b\)](#)

### [The P11D Working Sheets](#)

To help with calculating some of the values mentioned in the chapters:

- Accommodation Working Sheet [1](#)
- Cars and Car Fuel Working Sheet [2](#)
- Cars and Car Fuel (OpRA) Working Sheet [2b](#)
- Vans Working Sheet [3](#)
- Loans Working Sheet [4](#)
- Relocation Working Sheet [5](#)
- Mileage Working Sheet [6](#)