

Working sheet

Amount of extra wages* you could have got

A £

Value of accommodation** to be entered in box 14

B £

Amount to enter in box 13 (box A minus box B)
(enter '0' if less than zero)

C £

* Enter the amount of extra wages for the year or, if the living accommodation wasn't provided to you for the whole year, the amount for the period it was provided.

** Before any deduction for part of the living accommodation used exclusively for the duties of your job (see Step 6).

Working sheet to calculate the taxable value of living accommodation that cost £75,000 or less

If you had living accommodation, and it has a rateable value and cost £75,000 or less and you do not share it with any other employees, Steps 1 to 7 will work out taxable amount X. This is the basic calculation.

If the living accommodation cost more than £75,000, the value of the benefit is the sum of taxable amount X (at Step 7) plus taxable amount Y (see Step 8).

Ask your employer for information about the cost of the living accommodation. If you share the living accommodation with other employees, or if it does not have a rateable value, or if you need more information, see booklet [480 Expenses and benefits - A tax guide](#) available from the Self Assessment Orderline, or ask us or your tax adviser for help.

Step 1

Find out if the person who bears the cost of providing you with the living accommodation (this will usually be your employer but may have been someone else) pays rent and/or a lease premium for the property. Enter the total of the yearly rent and any amount of the lease premium attributed to the period as rent. For example, your employer may pay rent of £5,000 and no lease premium. If so, enter £5,000 in box A. If your employer has paid or will pay a lease premium for the property, read 'How to calculate the amount of a lease premium to be treated as rent in the period' on [Helpsheet 202](#).

A

Step 2

Find out what the gross rateable value was when the property was last rated. If the property was in Scotland multiply this figure by 100/270. Enter this in box B. For example, a property in England may have had a rateable value of £500. If so, you would enter £500 in box B. (If the property was in Scotland and it had a rateable value of £1,350 you would again enter £500 in box B as $100/270 \times £1,350 = £500$.)

B

Step 3

Enter in box C the higher of box A or box B*. In the example this would be the £5,000 rent paid. If your employer had owned the property and not paid rent you would enter £500.

C

Step 4

If you pay any money for the living accommodation (to the person mentioned at Step 1), enter in box D the total you paid for the year unless the amount in box C is less than what you pay. If so, copy box C to box D.

D

Step 5

Subtract box D from box C. Enter the result in box E. For example, if you paid £30 a week to your employer throughout the year you would subtract £1,560 ($£30 \times 52$) from £5,000, and enter the result, £3,440, in box E.

E

Step 6

If any part of the living accommodation is set aside exclusively for the duties of your job then multiply the amount in box C (or box E, if appropriate) by the fraction that the part makes of the whole accommodation. This is the business use amount. For example, if one room is a study that you use all the time for work, and that room is 1/7 of the whole living accommodation, then the business amount is £492 ($£3,440 \times 1/7$).

Business use amount

Step 7

Subtract the business use amount (if any) from box C or box E, as appropriate. This is taxable amount X. In the example, taxable amount X would be £2,948 ($£3,440$ minus $£492$).

Taxable amount X

Enter taxable amount X in box 14 in your [Employment](#) page unless the living accommodation cost more than £75,000. If so, there may be an additional calculation. Follow Step 8 if you need to do the additional calculation and work out taxable amount Y.

* If the living accommodation was provided to you for part of the tax year only, take an appropriate proportion of the higher figure. For instance, if the accommodation was first provided to you on 6 October 2013, the appropriate proportion would be: $183/365 \times £5,000 = £2,506$.

Working sheet to calculate the taxable value of living accommodation that cost more than £75,000

Step 8

Use this section to work out taxable amount Y* if the living accommodation cost more than £75,000. The cost includes expenditure incurred in acquiring an estate or interest in the property. For example, a premium paid under a lease is part of the cost of the property.

Enter in box F either:

- the cost of the living accommodation (including the cost of improvements made to it since it was acquired)
- if you first occupied the living accommodation after 30 March 1983, and your employer** held an interest in it throughout a period beginning six years before you first occupied the living accommodation, the market value of the accommodation at the date you first occupied it, plus the cost of any subsequent improvements**

Cost of the living accommodation (including cost of improvements) F £

Payments made by you towards that cost or for the grant of a tenancy G £

Subtract box G from box F. Enter the result in box H H £

Enter in box J the figure in box H minus £75,000 J £

Multiply the figure in box J by 2.5% (official rate of interest at 6 April 2017) K £

If the living accommodation was provided for part of the tax year only, enter here the number of days it was provided days

Divide the number of days by 365. Multiply the result by the figure in box K and enter this in box L L £

Enter in box M the rent you pay for living accommodation M £

Enter in box N the amount of any rent that you have already included in box D N £

Subtract the figure in box N from the figure in box M. Enter the result in box P P £

Subtract the figure in box P from the figure in box K (if the accommodation was provided for the whole tax year), or subtract the figure in box P from the figure in box L (if the accommodation was provided for only part of the tax year)

Enter the result in box Q Q £

If part of the accommodation was set aside exclusively for your job, multiply the figure in box Q by the fraction you used at Step 6 to work out the business use amount. This is the business use amount Business use amount £

Subtract the business use amount from the figure in box Q. This is taxable amount Y Taxable amount Y £

Enter taxable amount X from Step 7 Taxable amount X £

Add taxable amount X to taxable amount Y. Enter the total in box 14 in your [Employment](#) page £

*If taxable amount X is based on the full open market rent, then ignore Step 8 and taxable amount Y.

**Or whoever provided the accommodation to you, or a connected person.

Optional remuneration arrangements

If the accommodation is provided under an optional remuneration arrangement then the taxable amount to be entered in box 14 in your Employment page is calculated as follows:

Value of living accommodation is less than £75,000

Compare the amount in box C with the amount of salary or pay forgone by you for the accommodation. Subtract any money paid by you for the living accommodation, (box D) from the higher of box C or the amount forgone and enter the result box E.

If the cost of the accommodation was more than £75,000

Depending on whether the accommodation was provided for part of the tax year only, add the amount in K or L to C. Compare the total amount (K or L + C) with the amount of salary or pay forgone by you for the accommodation. Subtract the rent paid by you for the accommodation from the higher of these two figures and enter the net amount in Q.