

From: [REDACTED]  
Sent: 19 October 2010 14:23  
To: [REDACTED]  
Subject: FW: MOD Cycling Allowance

[REDACTED]

Can you please take a look at the comments below from [REDACTED]? Can you please let me know how the Home To Duty allowance for bicycles works?

Have you seen [REDACTED] proposals?

Regards,

[REDACTED]

[REDACTED]  
MOD Tax Focal Point  
DFM Tax & Duty Team  
Spur 11, Block C, MOD Foxhill  
Bath BA1 5AB

E-Mail: [REDACTED]

This email is intended for the recipient only. Access to this message by any other person is not permitted. If you are not the intended recipient you must not use, disclose, distribute, copy, print, or rely upon this email. If an addressing or transmission error has mis-directed this email, please notify the author by replying to this email. Recipients should note that all email traffic on MOD systems is subject to monitoring and auditing.

-----Original Message-----

From: [REDACTED]  
[REDACTED]  
Sent: 18 October 2010 16:58  
To: [REDACTED]  
Subject: MOD Cycling Allowance

[REDACTED]

I refer to our earlier conversation regarding the cycling allowance.

I understand that the MOD is in the process of undertaking a cycle policy review. An analysis of the various options under consideration was sent to [REDACTED] by [REDACTED], Sustainable Development and Business Continuity Team, on 25 August 2010. [REDACTED] has copied me into this as the review includes the military. I understand that you have also been copied in.

I note that the Criteria and Options document includes a reference to a cycling allowance for military staff. Additionally, the Questions Set document confirms that this is paid as a Home to Duty Allowance and is tax free. The copy of the MOD Regulations which I currently hold confirms that a cycling allowance is paid for official duty travel.

However, I am unable to trace any reference to a cycling allowance for home to duty travel. The Regulations relating to the Home to Duty Allowance do not specifically mention bicycles, so I assume that there has been a subsequent change to these.

I should be grateful if you could confirm when the Home to Duty Allowance for bicycles was first introduced. A mileage allowance of up to 20 pence for business travel by bicycle is tax exempt under the HMRC approved mileage allowance payments (AMAPs). However, the AMAPs are restricted to business travel undertaken in, or by, the employee's own vehicle or bicycle. Payment of the mileage allowance in respect of cycles loaned by the employer under a cycle to work scheme, or for ordinary commuting journeys undertaken using the employee's own bicycle, would be chargeable to tax.

The Home to Duty Allowance is not subject to tax by concession. I assume that when the allowance was first introduced, this was intended to meet the fuel and running costs of a car. If the Home to Duty Allowance has been extended to other circumstances then this will need to be considered to confirm whether the concessionary treatment can apply. Any further information you can provide on this would be helpful.

If you wish to discuss this further, please contact me.

Regards,

■

■

Government Bodies Employer Liaison  
Public Department 1 Compliance  
HM Revenue and Customs  
Ty Glas  
Llanishen  
Cardiff  
CF14 5XZ

Tel: ■

Fax: ■

This e-mail has a security marking of PROTECT, unless otherwise stated.

The information in this e-mail and any attachments is confidential and may be subject to legal professional privilege. Unless you are the intended recipient or his/her

representative you are not authorised to, and must not, read, copy, distribute, use or retain this message or any part of it. If you are not the intended recipient, please notify the sender immediately.

HM Revenue & Customs computer systems will be monitored and communications carried on them recorded, to secure the effective operation of the system and for lawful purposes.

The Commissioners for HM Revenue and Customs are not liable for any personal views of the sender.

This e-mail may have been intercepted and its information altered.