

Note to employer

You do not have to use this form, but, you may find it a useful way to calculate the cash equivalent if you provided living accommodation for a director or an employee during the year 2014-15 (that is 6 April 2014 to 5 April 2015).

Read the *P11D Guide* and booklet 480 before you complete this form. Sections 1 and 2 apply to a director or an employee whatever their rate of pay. If you provided any benefits associated with accommodation you may find the checklist at Section 3 helpful.

If you use this form you must also fill in form P11D or P9D. You must also complete form P11D(b) *Return of Class 1A National Insurance contributions due* if you use this working sheet to fill in form P11D. CWG5(2015) *Class 1A National Insurance contributions on benefits in kind* gives more information.

You are advised to keep a copy of each completed working sheet as it could help you to deal with enquiries. You do not have to give a copy of the completed working sheet to the director or employee, or to your HM Revenue & Customs office.

The term employee is used to cover both directors and employees throughout the rest of this form.

The term accommodation refers to the living accommodation provided to the employee and the property consisting of that accommodation.

If the employee can choose between:

- taking living accommodation, *or*
 - giving up the accommodation and taking a higher cash wage,
- then the taxation value of the living accommodation may be greater than the cash equivalent calculated using this working sheet. That will be so if the extra wages the employee could have got (for the period the accommodation was provided) if they had given up the accommodation would have been more than the cash equivalent shown in box E or box R, in which case enter that amount of extra wages in section D box 14 of the P11D, or section C box 14 of the P9D.

Employer details

Employer name

Employer PAYE reference

Employee details

Employee name

Works number or department

National Insurance number

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The accommodation

Give the address of the accommodation provided

Was the accommodation provided for a full tax year?

Yes

No

If the answer is No, then when you are asked for amounts, enter the part of the rent or annual value which relates to the period for which the accommodation was provided. Booklet 480 tells you how to work out the annual value.

1 The basic benefit *Complete this section in all cases.*

Enter the amount of rent payable for the year (or part of the year) by you, or any other person at whose cost the accommodation is provided to the employee. If the accommodation is subject to a lease for a term of ten years or less which was entered into or extended on or before 22 April 2009 and a lease premium is payable, enter the total of the rent payable for the year and any amount to be attributed in respect of the lease premium see *booklet 480*.

A	£	
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Enter the annual value (or part of the annual value) of the accommodation see *booklet 480*

B	£	
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Enter the greater of A and B

C	£	
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Enter any amount made good to you by the employee for the living accommodation if this amount is more than C, enter the amount at C here

D	£	
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Subtract D from C

E	£	
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The figure at E is the cash equivalent of the basic benefit.

Enter in section D box 14 on form P11D or section C box 14 on form P9D **unless** there is an additional yearly rent.

Please turn over to find out if you need to calculate the additional yearly rent.

2

The additional yearly rent

Complete this section if the cost of the accommodation was more than £75,000.

The cost of the accommodation is:

- the cost of acquiring the accommodation **plus**
- the cost of improvements made to the accommodation **minus**
- any payments made by the employee towards these costs or for the grant of a tenancy.

When considering the costs remember that they can be incurred by:

- you as the employer, or
- the person providing the accommodation, or
- any person connected with either of the above other than the employee.

There is a different rule if the employee first occupied the accommodation after 30 March 1983.

If the person providing the accommodation held any interest in it throughout a period beginning **six years before the employee first occupied the accommodation**, then the figure to enter at box **F** is the market value of the accommodation at that date, plus the cost of subsequent improvements.

Cost of the accommodation (including the cost of improvements)

F	£	<input style="width: 100%;" type="text"/>
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Payments made by the employee towards the cost or for the grant of tenancy

G	£	<input style="width: 100%;" type="text"/>
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Subtract **G** from **F**

H	£	<input style="width: 100%;" type="text"/>
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Excess of cost over £75,000 is **H** minus £75,000

J	£	<input style="width: 100%;" type="text"/>
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Multiply **J** by 3.25% which is the official rate of interest on 6 April 2014

K	£	<input style="width: 100%;" type="text"/>
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If the accommodation was provided for part of the tax year only, enter the number of days it was provided here

<input style="width: 90%;" type="text"/>
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Divide the number of days by 365 and multiply the result by **K**

L	£	<input style="width: 100%;" type="text"/>
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Enter the rent paid by the employee for the accommodation

M	£	<input style="width: 100%;" type="text"/>
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Enter any rent which you have included in box **D**

N	£	<input style="width: 100%;" type="text"/>
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Subtract **N** from **M**

P	£	<input style="width: 100%;" type="text"/>
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Subtract **P** from **K** (if the accommodation was provided throughout the tax year), or
Subtract **P** from **L** (if the accommodation was provided for only part of the tax year) and enter here

Q	£	<input style="width: 100%;" type="text"/>
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Enter the amount shown in box **E** on the front of this form

E	£	<input style="width: 100%;" type="text"/>
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Total of Q and E

R	£	<input style="width: 100%;" type="text"/>
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The figure at **R** is the amount to be entered in section D box 14 on form P11D or section C box 14 on form P9D

3

Other benefits

This section is a checklist to help identify other benefits commonly associated with the provision of living accommodation.

Tick if appropriate

Expenses incurred by the provider of the accommodation on benefits or facilities connected with the accommodation

Heating

Lighting

Repairs and decoration

The benefit from furniture given or transferred to the employee

The annual value of the use of furniture in the accommodation which is provided by reason of the employment

Other *please describe in box below*

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Booklet 480 explains how to calculate these other benefits and gives details of exemptions and limits to the charge. Enter the benefits in the appropriate boxes on form P11D or P9D.