

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 2024 to 2025 (that is 6 April 2024 to 5 April 2025).

Read the 'P11D Guide' and tax guide '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 submit online a P11D. You must also complete and submit online a 'P11D(b) Return of Class 1A National Insurance contributions due' if you use this working sheet to complete a P11D. 'CWG5 (2025) Class 1A National Insurance contributions on benefits in kind' gives more information.

We advise you 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. Do not send a copy to HM Revenue and Customs.

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 either:

- taking living accommodation
- 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 your online P11D submission.

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're asked for amounts, enter the part of the rent or annual value for the period the accommodation was provided. Tax guide '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 10 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 to the lease premium [read tax guide '480'](#)

A £

Enter the annual value (or part of the annual value) of the accommodation [read tax guide '480'](#)

B £

Enter the greater of A and B

C £

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 £

Subtract D from C

E £

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

Enter in section D box 14 on your online P11D submission unless there is an additional yearly rent.

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

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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 either:

- you as the employer
- the person providing the accommodation
- 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 6 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 £

Payments made by the employee towards the cost or for the grant of tenancy

G £

Subtract G from F

H £

Excess of cost over £75,000 is H minus £75,000

J £

Multiply J by 2.25% which is the official rate of interest on 6 April 2024

K £

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

Divide the number of days by 365 and multiply the result by K

L £

Enter the rent paid by the employee for the accommodation

M £

Enter any rent which you've included in box D

N £

Subtract N from M

P £

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 £

Enter the amount shown in box E on the front of this form

E £

Total of Q and E

The figure at R is the amount to be entered in section D box 14 on your online P11D submission

R £

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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

☐

Tax guide '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 your online P11D submission.

Optional remuneration arrangements

If the accommodation is provided under an optional remuneration arrangement then the amount to be entered in section D box 14 on your online P11D submission is the relevant amount. The relevant amount is calculated as follows.

The basic benefit

Compare the amount in C with the amount of salary or pay foregone by the employee for the accommodation. Subtract D from the higher of the amount in C and the amount foregone. Enter the net amount in E.

The figure at E is the relevant amount which should be entered in section D box 14 on your online P11D submission unless there is an additional yearly rent.

The additional yearly rent

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 with the amount of salary or pay foregone by the employee for the accommodation. Subtract the rent paid by the employee for the accommodation from the higher of these two figures and enter the net amount in R.

The figure in R is the relevant amount to be entered in section D box 14 on your online P11D submission.