



Typical Contractor Expenses

The below expenses are common expense that a contractor operating through their own limited company may incur. The list below should not be seen as either fully comprehensive or available when actual expense has not been incurred. Expenses should only be claimed from your company when cost has been incurred.

Further rules may apply in qualification of some expenses. Should you have any queries regarding allowable expenses, please contact us.

- Salaries of any directors or employees of the company
- Employers National Insurance that you may pay on these salaries
- Employers contributions into a company pension scheme
- Business postage, printing and stationery costs
- Costs of business equipment such as a Laptop, PC or Business Software
- Company bank charges
- Training costs related to your business activities
- Business Insurances, such as Professional Indemnity, Public Liability and Employers Liability
- Trade magazines, books and publications
- Accommodation and subsistence costs when working away from home on a temporary contract
- Company mobile phone, broadband and telephone costs
- Travel costs relating to your business trade
- Mileage costs relating to using your own vehicle for business use. Typically, where the vehicle is a car, this can be claimed at 45 pence per mile for the first 10,000 miles and 25 pence per mile thereafter.
- Costs relating to using your own home as an office – HMRC allows an un-receipted flat rate of £4 per week
- Accountancy fees
- Advertising and marketing costs
- Costs of entertaining your clients – this can be claimed but no Corporation Tax relief is given
- Companies House annual return filing fee
- Annual function or event for employees – Corporation Tax relief available on costs of up to £150 per person per year
- Gifts to business clients – Corporation Tax relief available on costs of up to £50 per recipient