



HMRC working from home claims

Claim for deduction by the employee (self-assessment)

From 6 April 2022 onwards, HMRC has reverted to the pre-Covid rules for claims relating to the working from home allowance.

During the pandemic, there was a special allowance available where an employee could claim the fixed home working rate for a whole year even if they only worked from home for part of the year.

The weekly working from home flat rate is currently £6 a week or £312 a year.

From 6 April 2022 the regulations have tightened and will require the employee to meet one of the conditions noted below to be able to make a claim through self-assessment:

- 1) The employer has no appropriate facilities on their premises for the employee to be able to work.
- 2) The employee lives so far away from the employer's premises, that it would be unreasonable for the employee to commute to that location daily, due to the nature of their job.
- 3) The employee is required to work from home due to government restrictions in force.

As a result of the tightening of the rules, HMRC are projecting that the costs of providing the working from home tax relief will return to the normal level before the pandemic.

Under the current rules, an employee can only claim tax relief (through self-assessment) if they are forced to work from home, because:

- 1) their job requires the employee to live far away from their office;
- 2) their employer does not have an office.

If the employee works from home as a personal choice, they cannot claim the £6 working from home allowance even if there is a clause included in their employment contract. Only payments of up to £6 made by the employer under a working from home arrangement can be tax-free.



HMRC working from home claims cont'd

Reimbursements made by the employer

The exemption only applies to payments made by the employer, under a homeworking arrangement, provided both of the following two tests are met:

- 1) there must be an arrangement between the employer and the employee; and
- 2) the employee must work at home regularly under those arrangements.

The arrangement must be a formal arrangement, but it does not need to be in writing, but usually will be, and does not need to apply to all employees.

If the employer wishes to pay for actual working from home expenses, further tax advice should be sought.