

## **Don't Forget To Pay Yourself Approved Mileage Allowance**

Mileage allowance payments are made to company employee (director, secretary or any other employee) for using their own car for business travel. Company can pay 40p for the first 10000 miles and 25p for anything over 10000 miles in the financial year. The limit of 10000 mile is applicable for each financial year.

We suggest rather than claiming petrol from the company account for business travel claim approved mileage allowances. If you pay mileage allowances at approved limits, no reporting on P11d is required and company can claim deduction for mileage allowance payments.

If you carry additional passengers you can claim extra 5p for the mileage allowance.

Trap: Many businesses pay the mileage payments without recording them. If you pay without recording then you risk yourself being penalized should Inland Revenue ask you for the records of business mileage.

**Tip: Claim business mileage but don't forget to record them.**

