



Business Expenses: Broadband & Mobile Phones

Many of us rely on communication for the success of our businesses.

We stay connected with colleagues and suppliers over the phone, and the internet is where we speak to clients and promote our companies.

As it's an essential part of modern life and vital for your business, it's important to understand what phone and internet costs you can claim as expenses.





WHAT EXPENSES ARE ALLOWABLE?

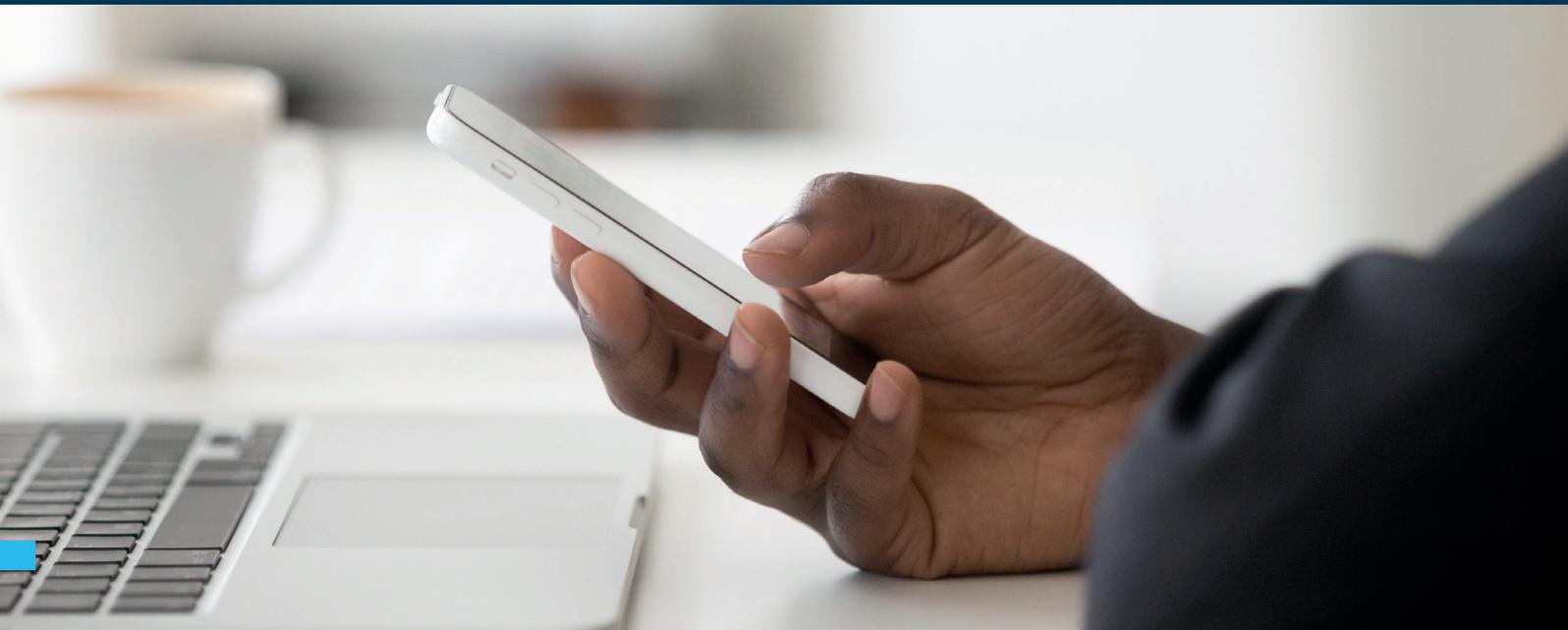
Allowable expenses must be 'wholly and exclusively' incurred for the business. Sometimes expenses can be seen as dual purpose, which means they have an element of personal use.

You're unlikely to get tax relief on these types of expenses. However, if the dual purpose is only incidental, your claim might still be valid.

CLAIMING FOR MOBILE PHONES

We all have a personal mobile phone and many of us are guilty of being glued to it. This is why HMRC will only accept claims for handsets taken out in the business name.

Your business mobile phone contract must be between your company and the service provider, to claim the full cost.





CLAIMING BROADBAND AS AN EXPENSE

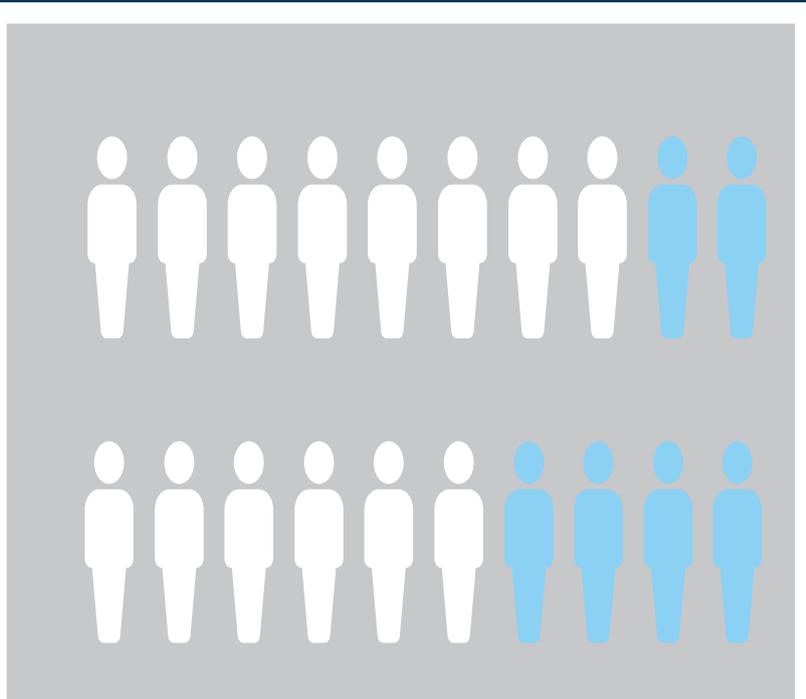
If you have a broadband subscription in place before starting your business, or starting to work from home, you can't then claim the cost. It's also unlikely you'll have to pay anymore for the internet once you start using it for business purposes.

If you've incurred additional costs for the broadband because of business use, you can claim back that portion of the costs. You must be able to provide detailed evidence to support the claim.

If you don't have an existing internet connection and set one up for business use, you can claim the cost back.

The agreement must be taken out in the company name to be classed as an allowable expense. HMRC does accept there may be occasional personal use of the internet at your home.

If you have any questions about claiming expenses, get in touch with the team today.



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