



Use these notes to help you fill in the Ministers of religion pages of your tax return

Fill in the 'Ministers of religion' pages if you were:

- a minister of religion of any faith, religion or denomination
- an employee acting as a minister of religion

We must receive your paper tax return by 31 October 2017 for you to avoid a late filing penalty. If you prefer to file online, you'll need to buy commercial software.

i For information about commercial software, go to www.gov.uk/software-tax-returns

You will need to fill in separate 'Ministers of religion' or 'Employment' pages for each job you held in the year.

References in these notes to:

- a 'church' includes all religious buildings
- a 'vicarage' includes any living accommodation where you live and work

Income as a minister of religion

You can find out what you've earned and the tax you paid from your:

- P45, 'Details of employee leaving work'
- P60, 'End of Year Certificate'

Any employer you work for on 5 April 2017 must give you a P60 by 31 May 2017.

If you received any benefits or non-exempt expenses payments from your job, you'll need to include them on your 'Ministers of religion' pages. Your church will give you details on form P11D, 'Expenses and benefits'. If you don't receive a copy of your P11D by 6 July 2017, contact your church.

i For information on benefits from your employment go to www.gov.uk/tax-company-benefits

Box 2 Salary or stipend – before tax was taken off

Use the figures from your P60 or P45 to fill in box 2.

If you left a job during the year, put the figure in the 'Total pay in this employment' section on your P45 in box 2. If you've a P60, put the figure from the 'In this employment' section in box 2.

If you had more than one job in the year, your P60 may include details of an earlier job. Put those details on separate 'Ministers of religion' or 'Employment' pages.

Box 3 Tax taken off box 2

Put the amount of tax you paid on your income from this job in box 3.

Box 4 Fees and offerings

Include all fees, offerings or collections you received that are not on your P60.

Box 5 Vicarage expenses paid for you

If the church paid any vicarage bills that you're responsible for, such as heating, lighting, maintenance or gardening, put the figure from section B on your P11D in box 5. Don't include:

- any bills you paid if the church reimbursed you – these go in box 17
- council tax or water charges if a church corporation or a charity provides your living accommodation

Box 6 Personal expenses paid for you, living accommodation, vouchers and credit cards

Add up the expenses the church paid for you and put the total in box 6. This can include:

- personal expenses, such as car repairs
- vouchers and credit cards, shown in section C on your P11D
- living accommodation, shown in section D on your P11D

Vouchers you pay tax on include:

- gift vouchers
- vouchers or stamps for money
- season tickets
- childcare vouchers over the appropriate weekly amount – you pay tax on the excess

Credit cards include:

- cards issued by credit card companies
- charge cards
- retailers' account cards
- tokens used to get goods from machines

Church – provided living accommodation is usually tax-free if you work from home and are

in a pastoral role. It won't be on your P11D and you shouldn't include it in box 6. Ask your church if you need help. You can claim for any items you bought for ministry use in boxes 21 to 25.

i For more information about living accommodation, go to www.gov.uk and search for 'HS202'.
For information on vouchers and credit cards, go to www.gov.uk/expenses-and-benefits-vouchers and www.gov.uk/expenses-benefits-credit-debit-charge-cards

Box 7 Excess mileage allowance and passenger payments

If the church paid you a mileage allowance or passenger payment over the approved rate, put the figure from section E on your P11D in box 7. Don't include this amount in box 21.

Boxes 8 and 9 Round-sum expenses and rent allowances

In box 8 put the total of any:

- mortgage or Rent Allowance you received
- round-sum expense allowances (an advance payment for expenses you incur doing your job that aren't on your P60)

You can find these figures in section N of your P11D. Put the amount of tax you paid on these in box 9.

Boxes 10 and 11 Other income from your post or appointment

Add up any other income you received from this job and put the total in box 10. Include:

- chaplaincies linked to this appointment
- gifts and grants
- payments in kind – that is, goods or services you received instead of payment for work you did, see below

Don't include:

- personal gifts or lump sum grants for your personal circumstances
- chaplaincies separate to your main appointment – these go in box 36

If your total earnings (including all benefits and the cash value of the payment in kind) are less than at a rate of £8,500 a year, the value of the payment in kind is the second-hand value if you sold it. Put this figure in box 10. If your total earnings are at a rate of £8,500 a year or more, use Helpsheet 213, 'Payments in kind – assets transferred' to work out the amount to put in box 10.

If, in earlier years, you claimed capital allowances and you sell or no longer use these items for work, a balancing charge may apply.

Put the amount of tax paid on your other income in box 11.

i For help working out your payment in kind, go to www.gov.uk and search for 'HS213'.
For help working out capital allowances and balancing charges, go to www.gov.uk/business-tax/capital-allowances

Benefits and expenses payments you receive as a minister of religion

If your employer has 'payrolled' your benefits and expenses (this means the tax was deducted from your pay and included in your P60), don't include them in boxes 13 to 19.

If not, your employer must give you details of your benefits and expenses on a form P11D, 'Expenses and benefits'. Put the details from your P11D in boxes 13 to 19. Your P11D won't show any tax-free benefits.

Box 13 Vicarage services benefits received

If the church received and paid bills for the running and maintenance of the vicarage, put the total in box 13. This can include:

- heating, lighting and cleaning, repairing, maintaining and decorating the vicarage
- furniture and carpets provided – work out 20% of their market value from the date you had the use of them
- domestic services (other than cleaning)

Box 14 Car provided for you

If the church gave you a car or van to do your work, add up the amounts in box 9 from sections F and G on your P11D and put the total in box 14.

Don't include any amounts for:

- using your own car for work – this goes in box 21
- a car given to you as a payment in kind – this goes in box 10

Tick if reinstated in year (see P11D Guide)	
Cash equivalent of each car	£ 20,665
Total cash equivalent of all cars made available in 2014-15	
	9 £ 20,665
Cash equivalent of fuel for each car	£

Example of box 9 on page 1 of a P11D

Box 15 Fuel for car provided for you

Add up the amounts in box 10 from sections F and G on your P11D and put the total in box 15.

Box 16 Interest-free and low interest loans

Use the figures in section H on your P11D.

Box 17 Expenses payments made to you

If the church paid or reimbursed you for vicarage bills or repairs you met, put the total amount you received in box 17. Don't include:

- any bills you're responsible for that the church paid – this goes in box 5
- any amounts you've put in boxes 6 or 8
- any reimbursements for a car given to you to do your job
- any amount covered by the exemption for paid or reimbursed expenses

Box 18 Other benefits

Add up any amounts from your P11D that you haven't put elsewhere on your 'Ministers of religion' pages and put the total in box 18.

If you move house for work you may receive £8,000 tax-free towards the moving costs. Your church will tell you any amount to include in box 18.

Taxable income etc before expenses paid

Box 20 Taxable income, benefits and expenses received

Add together boxes 12 and 19. If the total is:

- at a rate of £8,500 or more a year, put the total in box 20
- less than at a rate of £8,500 a year, work out box 12 minus box 5 and put this figure in box 20

Expenses paid by you as a minister of religion

You can only claim for the costs you had and needed to pay out to do your job. But, if your total income (that is, your wages plus all benefits and expenses payments you receive) is less than at a rate of £8,500, the benefits and expenses you received aren't taxed and you can't claim for any costs you paid out of these payments. Don't claim for any items covered by the exemption for paid or reimbursed expenses.

Box 21 Travelling expenses and capital allowances

You can only claim for the costs you had to pay to do your job, such as:

- travel costs, including related meals and accommodation – don't claim the cost of your daily travel to and from work
- the cost of using your own car for work
- business expenses, such as official phone calls

If you used your own car for work, the church may pay you a Mileage Allowance. If the amount you received was:

- at the approved mileage rate, you can't claim any more
- more than the mileage rate, put the figure from section E of your P11D in box 7
- less than the mileage rate, you can claim the shortfall in box 21

Keep records of your business mileage and use this table to work out the amount of your claim.


Approved mileage rates for the 2016 to 2017 tax year

Cars and vans	First 10,000 business miles - 45p a mile. Business miles over 10,000 - 25p a mile.
----------------------	---

Motorcycles	24p a mile.
--------------------	-------------

Cycles	20p a mile.
---------------	-------------

You may be able to claim capital allowances for the cost of essential items, such as office equipment or theology books, but not cars.

 For more information about capital allowances, go to www.gov.uk/business-tax/capital-allowances

Box 22 Maintenance, repairs and insurance of vicarage etc

If you're a full-time minister, and a church corporation or a charity provides your home and you work from home, you can claim 25% of the cost to maintain, repair or insure it.

Box 23 Rent

If you (not the church) rent a house and use part of it mainly for work, you can claim an appropriate amount as a business expense. For example, if you've 10 rooms, and use one mainly for work, you can claim 10% of your rent. You cannot claim more than 25% of your rent.

Box 24 Secretarial assistance

You can claim the cost of paying someone to help with your paperwork. But you can't claim for payments to your spouse for work as an active member of the church.

Box 25 Other expenses

Add up the cost of your other expenses and put the total in box 25. This may include:

- books for divine service or sermon preparation
- stationery, postage and work phone calls
- the repair or replacement of robes and items consumed in divine services (such as communion bread and wine)
- a percentage of your bills, if you work from home – don't include anything you put in box 22
- payments to someone to temporarily cover your job

Service benefit cap calculation

If the church provides you with tax-free accommodation and your income, benefits and expenses were less than at a rate of £8,500 your benefits are capped at the lower of:

- the total amount of benefit you received for the accommodation
- 10% of your net income

Box 28 2016–17 back pay, received after 5 April 2017

If you worked between 6 April 2016 and 5 April 2017 but were not paid until after 5 April 2017, put this pay in box 28. This box doesn't normally apply to Church of England clergy paid by the Church Commissioners.

Box 29 Earlier years' back pay, received during 2016–17

If your total income in box 12 includes any pay for work you did before 6 April 2016, put this amount in box 29. This box doesn't normally apply to Church of England clergy paid by the Church Commissioners.


Box 30 Payments to registered pension schemes or qualifying overseas pension schemes

Put in box 30 the total amount you paid into a pension scheme, including:

- a personal pension scheme
- free-standing additional voluntary contributions
- an overseas pension scheme

Your pension provider will give you a certificate showing your payments. You also need to claim any additional tax relief in boxes 1 to 4 on page TR 4 of your tax return.

Don't include payments to your employer's pension scheme if the payment was taken from your pay before tax.

 For more information on tax relief limits, go to www.gov.uk/tax-on-your-private-pension

Box 31 Net income

Add together boxes 27 and 28. Take off the amount in boxes 26, 29 and 30. Put the total in box 31.

Box 32 10% of net income in box 31

Work out 10% of the net income in box 31 and put this figure in box 32. If you had the accommodation for part of the tax year, you need to work out the number of days you lived there before applying the 10% cap to your income.

Example

Reverend Anne Lock started her new job on 6 April 2016. She moved into the vicarage on 1 July 2016. Reverend Anne's net income for the year is £12,000 (box 31) but she needs to work out her net income for 1 July 2016 to 5 April 2017 before she can apply the 10% cap.

- 1 July 2016 to 5 April 2017 (279 days)
- $\frac{279}{365} \times £12,000 = £9,172$
- $£9,172 \times 10\% = £917$

Reverend Anne puts £917 in box 32.

Box 33 Amount you paid towards service benefit received

Put the total amount you paid towards the bills and upkeep of the vicarage in box 33. For example, if the total vicarage costs were £600 and the church paid £500, put the £100 you paid in box 33.

This box doesn't normally apply to Church of England clergy paid by the Church Commissioners, as the vicarage costs are generally met by the Church Commissioners.

Other income as a minister of religion

Boxes 36 and 37

Put any separate ministerial income you haven't included in box 10, in box 36. This may include chaplaincies separate to your main appointment. Put the tax you paid on this income in box 37.

More help if you need it

To get copies of any tax return forms or helpsheets, go to www.gov.uk/taxreturnforms. You can phone the Self Assessment Helpline on 0300 200 3310 for help with your tax return.

These notes are for guidance only and reflect the position at the time of writing. They do not affect the right of appeal.