

Although you may have an office, garage or work on site there are still many reasons why you would need to claim a work from home expense.

When returning from a day on site work, the post is always there waiting for you to open on the door mat as opening the front door. The first thing to do is shuffle through, find the bills and any recognisable envelopes that you were waiting for then start to open in a priority fashion. You are at that moment working from home if it's a phone bill you're reviewing or an invoice for goods or services used.

Any office work carried on at home is worth placing a claim for expense to reduce your tax bill.

How to calculate.

The common way to claim is via a proportionate method. That is if your home is made up of two bedrooms, a dining room, lounge, kitchen, bathroom and hallway, we can safely say that you have 4 rooms available for you to work in at any given time. Also those rooms are still shared by your home use (private use).

So if you work mainly in the dining room and you have only office equipment in it, then you can claim $\frac{1}{4}$ multiplied by your total home costs. It's as simple as that.

You can claim more if you use the rest of the house now and again for work, say when you're reading the post whilst in front of the tv or whilst eating your evening meal.

So you could in effect claim $\frac{1}{4}$ of the remaining figure after you claim for your office specifying that you work 25% of the time in the rest of the house.

Things to include in your claim are as follows.

Mortgage interest (not the repayment part).

Council tax,

Electricity,

Gas,

Oil for heating if used,

Water rates

Building contents insurance (unless you have specific insurance),

Repairs and maintenance,

Cleaning.

Put all these costs together and multiply by the fraction we discussed earlier and that's your use of home claim.

Capital Gains Warning

Now, the point about this little message is simple. If any part of your home is wholly and exclusively usable for business so CGT exemption allowance will need to be reduced. So the trick here is to use the office for personal use for small percentage of the time you are in there, say for PC games, Xbox use or simply have fish or homemade beer or wine on the go.

That way you reduce your claim a little, say 10%. Making the office no longer wholly exclusively used for work.

Then you can say, the lounge and the bedroom is used 5% each for work as the ipad is in the bedroom for emails for first thing in the morning and last thing at night and the lounge is used for opening letters when eating my evening meal after returning from a long day on site.

This makes up that ten percent reduced on the claim in the office.

This way a CGT allowance and a full claim of use of home expense.

There is also the simple method whereby you can claim the government set relief currently £6 (20/21) see link below.

You can either claim tax relief on:

£6 a week from 6 April 2020 (for previous tax years the rate is £4 a week) - you will not need to keep evidence of your extra costs the exact amount of extra costs you've incurred above the weekly amount - you'll need evidence such as receipts, bills or contracts

You'll get tax relief based on the rate at which you pay tax. For example, if you pay the 20% basic rate of tax and claim tax relief on £6 a week you would get £1.20 per week in tax relief (20% of £6).

The accuracy cannot be guaranteed and so far as any error made is necessary for the reader to check against HMRC in the following link or self search on HMRC websites. I take no responsibility for any suggestion as this is not advice and is simply a description of reading the regulation concerned to make things understandable [link HMRC use of home](#)