



Work from home

Working from home has many advantages in that business start-up costs are low, which allows you to be more competitive in the market place to gain business. You can work the hours you want when you work from home. Ensure that your insurance covers what you are going to be doing. Often insurance for household purposes won't cover a business computer. You may be able to claim tax relief for some of the bills you have to pay because you have to work at home on a regular basis.

There are deductions you can claim for tax purposes.

Beware it will only be a proportion of your household expenses.

- Mortgage interest or rent
- Council tax
- Water rates
- Repairs and maintenance
- Building and contents insurance
- Electricity
- Heating Costs
- Cleaning
- Telephone
- Broadband
- Marketing



Hours of business use per month	Flat rate per month
25 to 50	£10
51 to 100	£18
101 and more	£26

It can be beneficial to register for VAT as you can reclaim VAT on your business assets purchase and for other items a proportion of the business element. Being VAT registered can also give the impression that you are a larger organisation, however creates an administrative burden (see VAT fact sheets)

If you in employment, your employer can pay you up to £4 a week (£18 a month) to cover your additional costs if you have to work from home. You will not need to keep any records. If you've agreed with your employer to work at home voluntarily, or you choose to work at home, you cannot claim tax relief on the bills you have to pay.

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