

Know what expenses you can claim

Everyone has to pay tax, but there's no rule that says you gotta leave a tip!



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We wanted to write this article for two reasons;

1. As a refresh to everyone to consider where they are spending money and whether these expenses could be claimed as business expenses, and
2. As a learning to those of you who may not have been contracting for long.



As a Professional Contractor you claim expenses for many costs you incur in order to carry out your contract. Keeping expenses at the forefront of your mind will save you money and reduce your overall tax liability.

We are often asked do we have a list of expenses that can be claimed. On page 13 you will see a list of some of the more popular expenses we see people claim. However, every individual is different and just because a cost you incur is not on this list does not mean it can't be submitted as a business expense.

We want to make sure you retain the most amount of money. After all, it's not always how much you earn that matters, but rather how much you keep. If you're unsure whether or not to claim an expense just drop your Dedicated Account Manager a line. They'll guide you. We work on your behalf, but we also want to make sure you're not taking any risks with the Revenue Commissioners.

The general rule of thumb is if you are spending money and the expense relates to your work, then that's an expense you can get tax relief on. €500

claimed in expenses every month puts €3,000 back in your pocket every year.

The main thing to remember is that business expense claims should be supported by receipts. At Contracting PLUS we make this easy by giving you cloud software to easily record any receipt.

We continue to grow our team of Dedicated Account Managers to work towards focussing more time on each and every contractor. If you have questions or want some advice on claiming expenses, give your Dedicated Account Manager a call to talk it through. 📞

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Popular Expenses Claimed by Contractors

MOBILE PHONES

The Handset, the bills, insurance and repairs. Anywhere from 50% to 100% depending on your circumstances.

PROFESSIONAL SUBSCRIPTIONS AND BUSINESS MEMBERSHIPS

Institute fees, professional member body fees, business network groups and any memberships mandatory to your work can all be claimed.

HOME OFFICE

If you work from home you can claim the cost of fitting out your office in some cases. While there is typically no scope to claim a portion of your rent/mortgage, there is an e-workers allowance of €3.20 a day. Over an average working year this could generate a tax saving of up to €400.

STATIONARY & EQUIPMENT

Home Printer, paper, ink, stamps, envelopes, pens, calculators and other general office supplies.

COMPUTERS, LAPTOPS & TABLETS

If you need it for business, then it's a business expense. Simple!

Any insurance costs, repair costs or accessories related to the product can also be claimed.

LANDLINE & INTERNET

Anywhere from 50% to 100% of the cost you incur for home landline and internet can be claimed as a business expense depending on your circumstances.

Where you have an 'all-in' fee for TV, Internet

and broadband you would exclude the TV portion in full.

COURSES, CONFERENCES & TRAINING

This can be a bit of a grey area but typically where the course / conference relates to your business and/or is part of your up-skilling or widening your skillset in your professional field then it should be claimed as a business expense.

SUBSCRIPTIONS TO TRADE PUBLICATIONS AND/OR TECHNICAL BOOKS

Trade magazines, online subscriptions, journals, manuals and books. If they relate to your business then the cost can be claimed as a business expense.

BUSINESS DEVELOPMENT COSTS

Costs incurred when meeting clients or recruitment agents to secure a new contract or negotiate your rate can be claimed. Think travel, coffees, lunches, etc. The usual costs deemed normal in society in developing business relationships and securing new business.

PUBLIC TRANSPORT COSTS

Annual/Monthly tax saver tickets for bus and rail.

OTHER BUSINESS TRAVEL

Daily public transport where it is to a location where you don't normally work. Taxis taken to other business locations or during unsociable working hours. Flights necessary in carrying out your contract obligations. Car hire & Fuel. GoCar costs. Parking. Tolls. All are business expenses when incurred in an ad-hoc manner

as part of your contract. All of the above assumes the costs are not incurred as part of your daily mode of transport to/from your normal place of work.

CYCLE TO WORK

Every 5 years you can claim up to €1000 in one transaction towards the cost of bicycles and bicycle equipment. Speak to your Dedicated Account Manager before doing this.

RELOCATING FOR A CONTRACT ROLE

If you need to move to a new location for a contract and the distance is deemed 'non-commutable', then the following can be included as a business expense;

- The journey to the new location and any moving costs for you and your family
- 10 nights subsistence (approx. €1500)
- The first 3 months of your rent
- Cleaning costs of stored furniture
- Auctioneers and Solicitors costs incurred for selling/buying your home

SAFETY CLOTHING & EQUIPMENT

Protective clothing, steel toe boots, safety goggles, hard hats, etc. are all deemed to be business expenses if necessary for your contract.

MILEAGE

Mileage can be claimed for business journeys when you are required to travel away from your normal place of work to a temporary work location.

Your 'normal place of work' is the location where you are normally based for your

contract. This is usually stated on the contract, If the business Journey starting point is home, then only the shorter of the distance travelled from;

- a) Home to the temporary work location; or
- b) The normal place of work to the temporary work location can be claimed.

Commuting costs (home to work travel) cannot be claimed

SUBSISTENCE

Subsistence is a tax free payment made when you travel away from your normal place of work to a temporary site or spend time away on a business trip. The amount payable is based on civil service rates and there are 3 bands of payment for trips which are;

- a) Between 5 and 10 hours; if you travel over 8km from your normal place of work
- b) Above 10 hours: if you travel over 8km from your normal place of work
- c) Overnight: if you travel over 100km from your normal place of work.

INCOME PROTECTION

If you have taken out an income protection policy this is considered a business expense.

Got a question?

If you have any questions about claimable expenses, feel free to contact your Dedicated Account Manager who will be more than happy to help.