01 / START WITH THE PURPOSE

Meals, coffee and hotels.

A working day does not make every meal a business expense. A qualifying business trip can be different.

Your own meals while travelling

Company directors and employees: necessary meals and accommodation on qualifying business travel can normally be paid or reimbursed without personal tax. Ordinary commuting and your regular workplace are different.

Sole traders: ordinary food is personal. Reasonable meals can qualify on eligible occasional journeys outside your normal pattern, or where the trade is genuinely travelling from job to job. Necessary overnight business stays and related reasonable meals can also qualify.

For example, a one-off customer visit requiring an overnight stay is different from buying lunch each day near your usual work base. The employee 24-month test is not a sole-trader rule.

SUBSISTENCE, IN PLAIN ENGLISH

Meals and necessary living costs while on a qualifying work trip. The journey must qualify first. Keep the receipt and a brief explanation of the trip.

Everyday situations

Situation	Usual treatment
Lunch at home or near your usual base	Personal, not a travel claim.
Coffee on the daily commute	Personal.
Reasonable dinner and hotel on a necessary business overnight trip	Usually claimable if the trip qualifies.
Lunch on a sole trader’s regular day route	Not automatically claimable; check the trade’s pattern.
Dinner to entertain a customer	Normally no deduction against business profit.
Holiday nights added to a conference trip	Private costs are excluded.

Genuine workplace staff refreshments and staff events have separate rules. They do not make the owner’s normal groceries or every café visit deductible.

This guide uses actual costs, not daily allowances. Client hospitality can be a genuine company expense in the accounts while still being disallowed for tax. It is not automatically a personal director’s loan merely because tax relief is blocked.

CHECK THE RULES Sole-trader meals and overnight stays · Employee business travel and meals · Employee commuting and temporary workplaces · Business entertainment · VAT on entertainment

02 / A COMPLETE CLAIM

Claim the work trip, not the holiday.

Example: Sam needs one night away for a customer visit, then adds one private night. All amounts below are cash paid.

Cost	Paid	Business part	Who paid?	Reason
Return train ticket	£84	£84	Sam	Required for the work trip; no added cost from extension.
Required hotel night	£180	£180	Company	Needed for the customer visit.
Sam’s reasonable dinner	£36	£36	Sam	Meal during the qualifying overnight trip.
Taxi for customer meeting	£24	£24	Sam	Business journey.
Extra private hotel night	£180	£0	Sam	Holiday extension.
Friend’s private meal	£30	£0	Sam	No business role or purpose.
Total	**£534**	**£324**		**£210 is private.**

How much does the company repay?

Total qualifying business spending is **£324**. The company already paid the £180 hotel bill. Sam paid the remaining **£144**, so the reimbursement is £144, not £324.

Keep all business receipts together, but mark the company-paid bill clearly. For a sole trader, record the eligible deduction instead of an employee reimbursement.

MIXED TRIPS NEED A REAL SPLIT

Keep extra holiday nights, sightseeing and a companion’s private costs separate. Flights and shared costs need a purpose-based check; do not simply divide every bill by the number of work days.

What about VAT?

A valid UK VAT invoice for eligible business travel may support a VAT claim. **Not every receipt contains VAT:** normal passenger train fares are generally zero-rated, and some suppliers are not registered.

Foreign VAT or local sales tax is not reclaimable on a UK VAT return. Still send the receipt: the cost may belong in your accounts, and a separate foreign refund may sometimes be available.

VAT on UK client entertainment is normally blocked. Paying for the whole dinner while hosting a client does not automatically make your own share reclaimable.

The example is an expense/payment split, not a VAT computation. SBX removes any recoverable VAT when calculating the tax deduction. There is no automatic £X-per-day food allowance for every business owner; ask before using an employer scale-rate scheme.

CHECK THE RULES Sole-trader meals and overnight stays · Employee business travel and meals · Travel reimbursements · VAT invoices and business expenses · Foreign VAT refunds

03 / YOUR REUSABLE FORM

Your travel and meal claim.

Fill in the purpose while it is fresh. Edit or print this page and attach the receipts. Totals are manual.

Business / company: [enter] **Claimant:** [enter] **Trip dates and destination:** [enter]

Customer / event and business reason: [enter] **Normal work base:** [enter] **Private extension / guests:** [enter]

Date	Expense and business reason	Total paid[1]	Private part	Business part	Paid by[2]	Receipt ref.

1. For foreign costs, record the currency, original amount and sterling amount used. 2. State company card, personal card or cash. Flag any advance or previous reimbursement.

Total business costs: £[enter]
Less amounts paid directly by the company: £[enter]
Less advances / reimbursements already received: £[enter]
Balance to reimburse: £[enter]

Before sending: check the journey qualifies; exclude private costs; avoid claiming a meal included in the hotel price twice. List client hospitality separately, naming attendees and businesses.

Claimant / date: [enter]
Approved by / payment date: [enter]

Contact our office or your account manager. info@sbxaccountants.com | 020 7046 1730

CHECK THE RULES Travel reimbursements · Sole-trader meals and overnight stays · VAT on entertainment