

Sole Traders - Expenses Entitlements

What am I entitled to claim?

Sole Traders operate outside of IR35 legislation and are entitled to claim for a variety of allowable expenses, provided they are deemed wholly and exclusively necessary for the course of their business activities.

Allowable expenses include:

- ▲ Accountancy fees
- ▲ Home office costs
- ▲ Business equipment
- ▲ Travel costs
- ▲ Motor cars/mileage claims
- ▲ Accommodation and subsistence
- ▲ Business telephone calls (landline/mobile)
- ▲ Mobile telephone handsets
- ▲ Stationery and postage
- ▲ Commercial insurance
- ▲ Training courses
- ▲ Professional subscriptions
- ▲ Protective clothing
- ▲ Charitable donations
- ▲ VAT on expenses (company must be VAT registered) **
- ▲ Pension contributions (to HMRC approved schemes)

** Sole Traders cannot generally reclaim any VAT on purchases if they have registered within the Flat Rate VAT scheme. The benefit has already been taken into account when the flat rate percentage was established.