

P60 Certificate and Completion of Tax Return

These notes relate to the 2008/09 tax return to help you to complete the Ministers of religion pages.

These pages can **not** be submitted via the HMRC Online service. Commercial software for online filing is available at www.hmrc.gov.uk/efiling/sa_efiling/soft_dev.htm

Unique taxpayer reference (UTR)

This is shown on the front cover of your tax return.

Box 1. Nature of your post or appointment

Enter your title (e.g. Vicar) and core place name (e.g. Leeds).

Box 2. Salary or stipend

Enter any figure shown on your P60 in the box headed "Stipend".

Box 3. Tax taken off box 2

Enter any figure shown on your P60 in the first box headed "Tax deducted".

Box 4. Fees and offerings

Enter the total of wedding, funeral, surrogate etc fees and Easter/Whitsun offerings you have received. Exclude all assigned fees.

Box 5. Vicarage or manse expenses paid for you

This box does not normally apply to our payees.

Box 6. Personal expenses paid for you, living accommodation etc

This box does not normally apply to our payees.

Box 7. Excess mileage allowance and passenger payments

See instructions at box 21.

Box 8. Round sum expenses and rent allowances

See instructions at box 17.

Box 9. Tax taken off box 8

This box does not normally apply to our payees.

Box 10. Other income from your post

If you have a chaplaincy which is directly linked to your main appointment, enter the gross income from it. Also enter any work-related gifts.

Box 11. Tax taken off box 10

If you included chaplaincy income at box 10, enter here any tax deducted at source.

Box 12. Total income as a minister of religion

Add up boxes 2, 4, 5, 6, 7, 8 and 10.

Box 13. Vicarage services

Enter any figure shown on your P60 in the box headed "Total" in the "Heating, Lighting, Cleaning and Garden Upkeep" section. Also enter any local HLC contributions you receive (e.g. from PCC or Cathedral Chapter). If you are a bishop, do not include any direct credits from the Church Commissioners. See also box 25.

Boxes 14 (and 15). Car (and fuel) provided for you

If you are provided with a car (and fuel) which is available for private use, the person providing it will advise you the amount(s) to enter.

Box 16. Interest-free and low interest loans

If you have a car loan from us, enter any figure shown on your P60 in the box headed "Cash equivalent of loan". If you have a Retirement Housing loan from the Pensions Board, they will advise you of any "cash equivalent" figure to enter.

Box 17. Expenses payments made to you

If you receive **exact** reimbursement for any item listed on our Working Expenses Agreement, do not enter it. If you receive lump sum payments (e.g. £100 per month) towards expenses, enter the total of these at box 8. Enter here all other amounts received for expenses.

Box 18. Other benefits

If in connection with your work you receive something which benefits you personally (e.g. a new television from the PCC), ask the person providing it for the "cash equivalent" and enter that here.

Box 19. Total benefits and expenses

Add up boxes 13 to 18 inclusive.

Box 20. Taxable income, benefits and expenses received

Add up boxes 12 and 19. (If, exceptionally, this figure represents **an annual rate of** less than £8,500 p.a., replace it with box 12 minus box 5.)

Box 21. Travelling expenses and capital allowances

Calculate your work-related motoring costs according to the following table:

Cars and vans	
First 10,000 work-related miles	40p per mile
Each mile over 10,000 work-related miles	25p per mile
Motor cycles	24p per mile
Bicycles	20p per mile

Compare the result with the amount you actually received:

- If you received more than the amount payable under this table, enter the excess at box 7.
- If you received the same as the amount payable under this table, do not make any entry.
- If you received less than the amount payable under this table, enter the shortfall here.

If you have bought a capital item costing more than £150, it may qualify for a capital allowance. Ask the Orderline for Help Sheet 206. Use this to calculate any allowance and enter it here. (If it cost less than £150, treat it as an expense and see instructions at box 25.)

Boxes 22 and 23. Maintenance of vicarage and rent

These boxes do not normally apply to our payees.

Boxes 24 and 25. Secretarial assistance and Other expenses

If you incur costs for any items listed on our Working Expenses Agreement and they are **exactly** reimbursed, do not enter them. If you are a bishop or bishop's chaplain whose expenses are met by the Church Commissioners, you are covered by a dispensation – do not enter any figures for expenses. Enter all other work-related costs here. **In addition**, enter in box 25 the work-related proportion (e.g. 25%) of your HLC costs shown in box 13. If you are not in our HLC scheme, enter instead the work-related proportion of costs actually incurred during the year.

Box 26. Total expenses paid

Add up boxes 21 to 25 inclusive.

Boxes 27 to 35. Service benefit cap

Use the following calculation to complete the relevant boxes (28, 29 and 33 do not normally apply):

A	Enter taxable income (box 20)		
B	Enter value of services (box 13)		Enter B at box 34
C	Subtract B from A		Enter C at box 27
D	Enter net payments to other registered pension schemes (TR4, boxes 1-4)		Enter D at box 30
E	Subtract D from C		
F	Enter total expenses (box 26)		
G	Subtract F from E		Enter G at box 31
H	Divide G by 10		Enter H at box 32

Compare box B with box H:

- If box B is more than box H, enter the difference at box 35.
- If box B is less than box H, enter 0 in box 35.

Box 36. Chaplaincy and other income

Enter any figure shown on your P60 in the box headed "Periodical Payments". If you have a chaplaincy which is not directly linked to your main appointment, enter the gross income from it.

Box 37. Tax taken off box 36

If you included chaplaincy income at box 36, enter here any tax deducted at source.

Box 38. Taxable income minus expenses

Add up boxes 20 and 36; subtract box 26, then subtract box 35.

Box 39. Total tax taken off

Add up boxes 3, 9, 11 and 37.

Further information

Help Sheets: the Revenue publish free Help Sheets giving more detailed information about particular subjects. There is a list of them on your tax return notes. You can request copies on 08459 000404. You can also view and/or download them at <http://www.hmrc.gov.uk/sa/forms/content.htm>

Ministers of religion notes: these provide a more detailed commentary against each box no.

Working Expenses Agreement: this is available at www.cofe.anglican.org/info/clergypay

The Bradford Tax Office: your tax affairs are handled by a dedicated team within the West Yorkshire and Craven Area. You can ring them directly on 01274 205714.

The Clergy Payments Dept: if you are unable to contact the Tax Office, we will do our best to help you. Our contact details are below.

Tax Credits

If you submit an application for tax credits, calculate your "total earnings" by using the figure from box 38 above, then subtract the gross value of any Gift Aid payments, then also subtract the gross value of any external pension contributions.

Clergy Payments Department

April 2009

Church Commissioners, Clergy Payments Dept, Church House, Great Smith St, London SW1P 3AZ
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Please keep your P60 Certificate and a copy of your completed tax return.