

Travel Expenses

Travel expenses include the actual costs of travel and also the subsistence expenditure and other associated costs that are incurred as part of the cost of making the journey.

The cost of business travel includes:

- The cost of any necessary subsistence costs incurred in the course of the journey
- The cost of meals necessarily purchased whilst an employee is at a temporary workplace.

If an overnight stay is needed then the cost of the accommodation and any necessary meals is part of the cost of business travel. Even where an employee stays away for some time and the travel expenses are deductible, the cost of meals and accommodation is part of the overall cost of the business travel,

To qualify for a deduction the subsistence costs must be attributable to the business travel in the sense that they are costs incurred in the course of the journey that are additional to any costs that the employee would incur if it were not for the business travel.

Once it is accepted that the employee has incurred allowable subsistence expenses you do not need to take into account the costs saved as a result of the business travel. For example, if the employee needs to eat in a restaurant while on a business trip you can permit a deduction for the full cost of the meal and should not make any adjustment for the costs saved by not eating at home. There is guidance at onward about the action to be taken where you consider that payments for accommodation, subsistence or other expenditure attributable to business travel are unduly lavish.

Where relief for business travel is given at statutory mileage allowance relief rates and not for actual costs this does not prevent relief for subsistence and accommodation costs. Mileage allowance relief applies to the costs of using the employee's own vehicle and does not prevent relief for additional costs attributable to business travel that are not costs of using that vehicle.