



Ultimate Lowdown on Tax Allowable Expenses for Sole Traders & Micro-Businesses

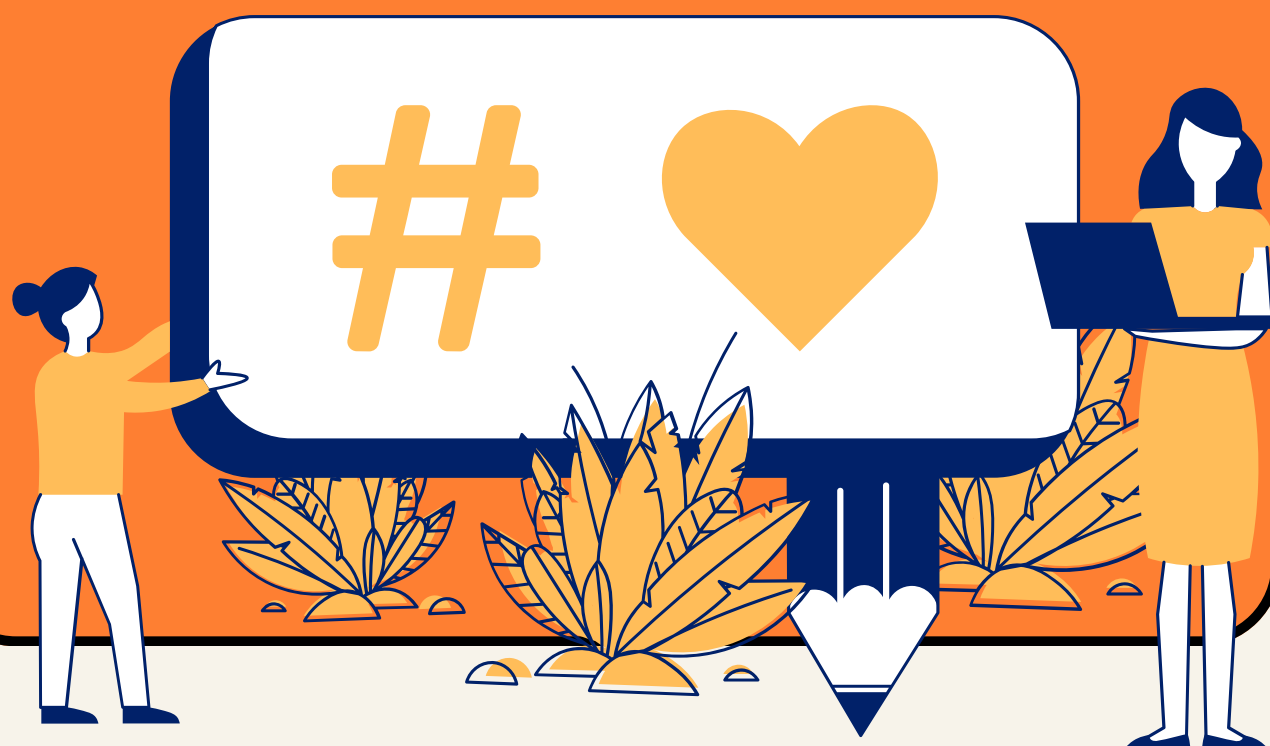
Running Your Own Business?

You're the boss, the accountant, the marketer, and probably the office cleaner too. But when it comes to tax time, knowing what you can (and can't) claim as an expense makes a big difference.



Allowable Expenses

are the costs you rack up while running your business. Deduct them from your income, and you'll only pay tax on what's left—more money in your pocket!



The Golden Rule?

Expenses must be “wholly and exclusively” for business use.

But you can claim for the ‘business element’ of mixed-use costs.

The Split Costs Rule

Some things (like your phone bill) might be part-business, part-personal. No problem! Just work out the percentage used for business and claim that portion. For example, if your mobile is 70% business use, claim 70% of the cost. Easy!

What HMRC says you can claim.



Common allowable expenses



USE OF HOME AS OFFICE

HMRC offer a fixed, no-questions-asked monthly rate, based on the number of hours you use home as an office:



25-50 HOURS	£10 per month
51-100 HOURS	£18 per month
101+ HOURS	£26 per month



PROTECTIVE CLOTHING

Any clothing worn to minimize exposure to hazards is an allowable expense. No fancy suits!



TOOLS & MATERIALS

The cost of any materials and tools you buy for use in delivering a product or service can be claimed.



TRAVEL

As long as it's not between home and office, you can claim any business travel expense. For cars and bikes, mileage claims work best.

MILEAGE CLAIMS

CARS/VANS	45p/mile	Pay for fuel and running costs from your personal funds, then claim mileage. The rates are:
MOTORCYCLES	24p/mile	
BICYCLES	20p/mile	



MARKETING

Need to blow your business trumpet? Make sure you capture those costs as they are 100% allowed for tax.



OFFICE COSTS

Business stationery, software, phone, internet, insurance and other admin costs are all fair game.



PROFESSIONAL FEES

Accountant fees, legal fees and other professional costs such as training or consultancy fees qualify as business expenses.

WHAT YOU CAN'T CLAIM

Not everything is tax-deductible. Here are a few no-go expenses:

- Your morning coffee habit (unless it's a business meeting!)
- Personal clothing, even if you wear it for work

More Information About Us



Data-Driven Business Decisions

Who We Help:

At Lelo Financial, we help small business owners and growing companies who want clarity on their finances, not just compliance numbers.

What We Do:

We provide practical accounting, strategic financial insights, and profitability coaching, turning numbers into decisions—so you can build a profitable, sustainable business without stress or confusion.

How We Work:

- Straightforward, jargon-free advice.
- Clear financial strategies to increase margins and cash flow.
- Personalized support that grows with your business.

Let's Fix Your Profitability!

Ready to take control of your numbers and build a more profitable business? Get in touch today!



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