



BUSINESS ASSETS

EMPLOYER & EMPLOYEE AGREEMENT

EMPLOYER FULL NAME:

EMPLOYEE FULL NAME:

Company & Business Assets

Common examples of assets owned by companies that employees may use as part of their job:

Vehicles and Transport

- Company vans (e.g. for deliveries or site visits)
- Company cars (e.g. for sales reps or managers)
- Fuel cards
- Electric bikes or scooters

Technology and Devices

- Laptops and desktop computers
- Mobile phones and tablets
- Printers, scanners, and other office equipment
- Software licenses and subscriptions

Tools and Equipment

- Power tools and hand tools (e.g. for construction or maintenance work)
- Specialist machinery (e.g. CNC machines, diagnostic tools)
- Safety gear (e.g. PPE, high-vis clothing, helmets)

Office and Workspace Resources

- Office furniture (e.g. desks, chairs, monitors)
- Shared meeting rooms and projectors
- Company internet and phone lines
- Company credit or expense cards

Uniforms and Branded Items

- Branded workwear
- Name badges or ID cards

Access and Facilities

- Company fuel or charge points
- Key cards or fobs for secured areas
- Parking spaces

BUSINESS EXPENSES—TAX RELIEF

EMPLOYERS

For businesses tax deductible expenses must meet certain conditions. HMRC requires that expenses are incurred “wholly & exclusively” for business purposes, i.e. there is no mixed business and private purpose.

EMPLOYEES

For employees there is an additional requirement that deductible expenses incurred by employees must be incurred “wholly, exclusively & necessarily” for business purposes, i.e. there is no mixed business and private purpose, and in addition the cost was a necessary, required expense for the employee to be able to perform the duty of their employment.

Why Private Use of Business Assets Is Not Allowed

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Business assets such as company vans, tools, or equipment are provided strictly for work purposes. Using them for personal or private reasons is not permitted for several important reasons:

1. Tax and Legal Compliance

HMRC has strict rules around what counts as private use of business assets. If assets like vans are used privately, this can trigger a benefit-in-kind (BIK), which means:

- The company must report it to HMRC.
- Both the company and the employee may need to pay additional tax and National Insurance.

Allowing private use without proper reporting can lead to fines, backdated tax bills, and potential audits.

2. Insurance Limitations

Business insurance policies typically do not cover personal use of company assets. If an accident or incident happens during private use, it may not be insured, which could result in personal liability or uninsured losses for the company.

3. Wear and Tear / Operating Costs

Private use increases wear and tear, fuel costs, maintenance needs, and depreciation—costs the company did not plan for. This puts an unnecessary financial strain on the business.

4. Fairness and Policy Integrity

Allowing one employee to use company assets privately can appear unfair to others and undermine consistent company policies. Keeping business assets strictly for work helps maintain fairness and professionalism.

In short: company assets are provided to help you do your job, not as a personal benefit. Following this policy protects you and the company from legal, financial, and operational risks.

Private Use Vans — Definition

Private Use of Company Vans – HMRC Definition

According to HM Revenue and Customs (HMRC), private use of a company van refers to any use of the van that is not "wholly and exclusively" for business purposes. This includes any use of the van for personal journeys, such as:

- Commuting between home and a permanent workplace (unless part of an allowed home-to-work arrangement)
- Running personal errands (e.g. shopping, school runs)
- Leisure trips or holiday travel

HMRC makes a distinction between "insignificant private use", which is allowed without triggering a benefit-in-kind (BIK) tax charge, and "significant private use", which does result in a tax liability.

Examples of Insignificant Private Use (usually ignored for tax purposes):

- Stopping at a shop on the way to/from a business journey
- Making a short detour to drop off a child at school
- Taking the van home overnight, but only using it for business the next day

Examples of Significant Private Use (taxable):

- Using the van regularly for commuting
- Taking the van on holiday or weekend trips or journeys
- Using the van for personal errands during the day

If a van is provided to an employee and it is used for significant private use, it becomes a taxable benefit, and the employer must report it to HMRC using a P11D form, and both employer and employee may incur tax and National Insurance contributions.

No Private Use Agreement

NO PRIVATE USE OF COMPANY OR BUSINESS ASSETS AGREEMENT

This agreement replaces any previous private use agreement.

This Agreement is entered into between:

Employer: As stated on the front cover of this agreement, "Employer",

and

Employee: Name (as inserted below in signature box)

1. Purpose

The purpose of this Agreement is to formalize the understanding and agreement between the Employer and the Employee regarding the use of company assets.

2. Company Assets Defined

For the purposes of this Agreement, "Company Assets" shall include, but are not limited to:

- Vehicles –Vans
- Vehicles—Pool Cars (not taken home, and kept at employer premises)
- Vehicles—Other vehicles (other than an employee Company Car provided with private use allowed)
- Equipment and machinery
- Tools
- Office supplies
- Electronic devices (e.g., computers, phones, tablets)
- Software and licenses
- Facilities and premises
- Any other property owned, leased, or operated by the Company

3. No Private Use

The Employee agrees that Company Assets are to be used solely for the purpose of carrying out duties and responsibilities related to their employment with the Company. Under no circumstances shall Company Assets be used for personal, non-work-related, or private purposes without the prior written consent of an authorised representative of the Employer.

4. Disciplinary Action

Unauthorised use of Company Assets may result in disciplinary action, up to and including termination of employment, legal action for recovery of damages, and/or other remedies available under law.

5. Acknowledgment

By signing this Agreement, the Employee acknowledges that they have read, understood, and agree to abide by the terms set forth herein.

Employee Name:

Employee Signature:

Date:

Employer Representative Name:

Representatives Signature:

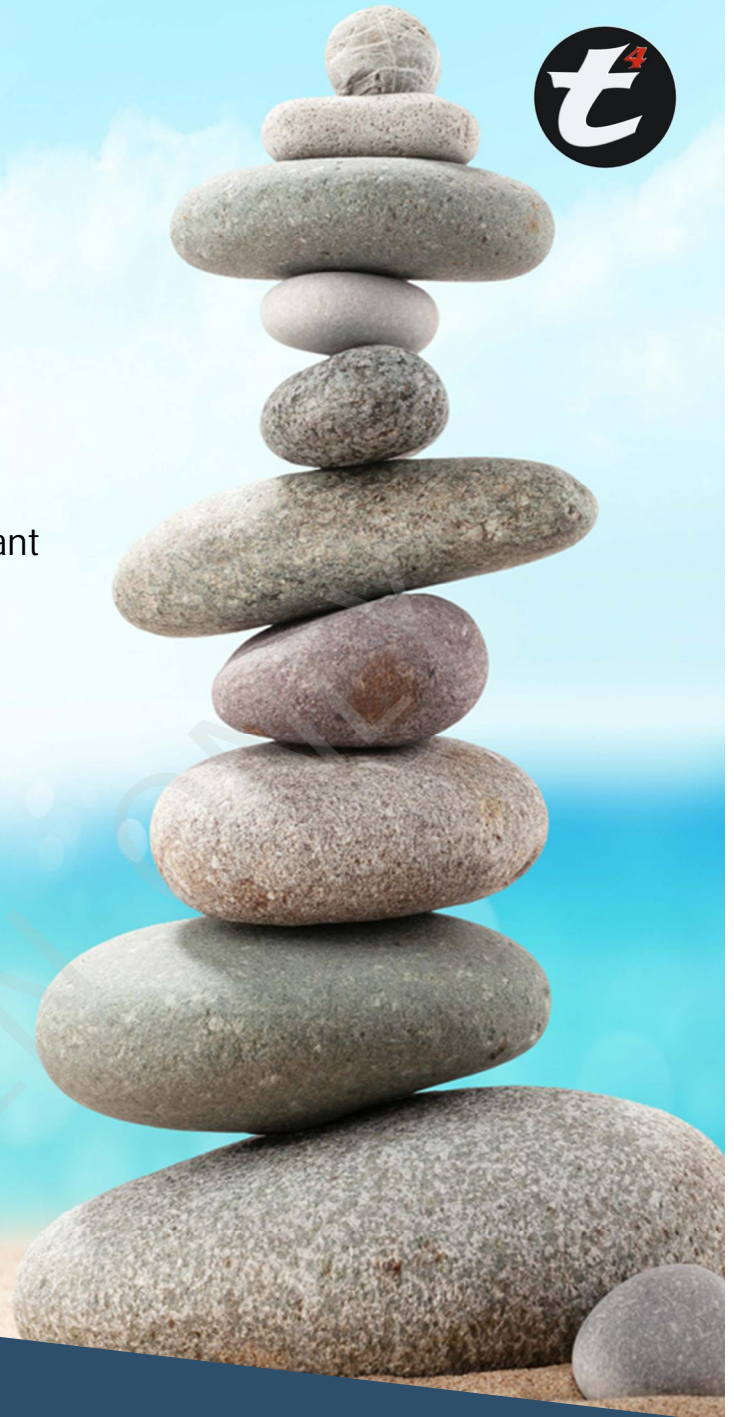
Date:



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