

## Mileage VAT Receipts

### Introduction

All mileage claims must be supported by fuel VAT receipts which should:

- ✓ Be of a sufficient value to cover the business journey being reimbursed;
- ✓ Pre-date the business journey being claimed, which can be the same day, and be sufficiently current that fuel purchased could reasonably be regarded as being for the journey(s) claimed.
- ✓ Attached to a Travel & Subsistence claim at the point of submission. The Council will accept a clear digital image of the receipt, e.g. a picture from a smartphone or a scan from a printing/scanning device.

If a claim is submitted without a VAT receipt, or a note explaining that the receipt(s) were attached to the previous claim, payment may be delayed while the receipts are located. The Council recovers VAT on mileage payments and employees are strongly reminded that failure to comply with this procedure may result in the Council having to repay a significant proportion of this reclaimed VAT.

If you have any VAT questions not covered by this factsheet, please contact the VAT Accountancy team on [vat@aberdeenshire.gov.uk](mailto:vat@aberdeenshire.gov.uk).

### Frequently Asked Questions

Q1. Why does a VAT receipt need to be provided?



Aberdeenshire Council recovers approximately £250k annually from mileage allowances paid to employees. In order to support this recovery, it is a requirement that the Council retains VAT receipts issued.

If VAT compliant fuel receipts are not provided there is a risk that the Council will not be permitted to recover VAT from mileage allowances in future which would create an additional budget pressure.

# Factsheet



Q2. What is a VAT receipt?



A valid VAT receipt must show the following:

- ✓ The petrol station's name, address, and VAT registration number
- ✓ The date that the fuel was supplied
- ✓ A description of the fuel type purchased
- ✓ The total amount paid
- ✓ The amount of VAT

Q3. I have asked for a VAT receipt, but it does not show the amount of VAT – is this acceptable?



Yes, if the cost of fuel is less than £100.

Q4. I usually refuel my vehicle at an automated pump, and it does not provide me with a VAT receipt; what should I do?



A VAT receipt is a requirement of the mileage reimbursement process. If a VAT compliant receipt is not available from an automated pump arrangements should be made to refuel your vehicle at a time and location where staff are available and can produce VAT receipts.

Q5. My car uses diesel; do I still have to get a VAT receipt?



Yes, you need a valid VAT receipt for any type of fuel.

Q6. I use a hybrid car; do I still need to get VAT receipts for my fuel?



Yes, as you claim a mileage allowance from the Council you must attach valid VAT receipts.

# Factsheet



Q7. I use an electric car; do I still need to provide a VAT receipts?



Business mileage can be claimed in an electric vehicle. A receipt or evidence that a charge took place and how much it cost is not required. Please indicate within the 'Journey Details' section of your claim that the mileage was undertaken in an electric vehicle.

Q8. How do I know how many business miles my VAT receipt covers?



The fuel element of the mileage allowance is currently 12p per mile. You can calculate how many miles your VAT receipt covers by dividing the total fuel cost by 0.12. For example, a £60 fuel receipt would cover approximately 370 business miles ( $60 / 0.12 = 500$ ). You can also use the value of the fuel element to calculate how much fuel needs to be purchased to cover a specific journey by multiplying the journey distance by 0.12. For example, a 50-mile journey will require a pre-dated VAT receipt of at least £6.00 ( $50 * 0.12 = £6.00$ ).

Q9. I don't claim mileage regularly; do I still need a VAT receipt?



Yes. The VAT receipt must pre-date the journey being claimed so it is recommended that you always ask for a VAT receipt when refuelling your vehicle and retain this for future use.

Q10. I put £50 worth of diesel into my vehicle on the 31st March and then claimed for 150 miles in April and another 150 miles in May; would one receipt cover both of these claim months?



Yes. One VAT receipt can cover more than one claim period providing the fuel purchased was used during the claim period(s).

Q11 – My partner and I use the same vehicle for business purposes; how do we split our VAT receipts to attach them to our claims?



The same VAT receipt can be attached to both claims in this situation.

# Factsheet



Q12. I have a monthly account with a garage; how do I get a VAT receipt?



Ask the garage to give you a VAT invoice and attach this to your claim form. This invoice will presumably be of sufficient value to cover all business journeys until the following month's invoice is received.

Q13. I get my fuel from my business; how do I get a VAT receipt?



You can attach a copy of the VAT invoice paid by the business. If the business purchases fuel in bulk and a monthly invoice is not available attach a copy of the same bulk purchase invoice to each claim until the next invoice is available.

Q14. I have a fuel tank in my garden that is filled annually; how do I get a VAT receipt?



You can attach a copy of the VAT invoice. This invoice can then be attached to each subsequent claim until the next annual invoice is available.

How can I tell if I have a valid VAT receipt?

