

Claim a deduction for work clothing

Many employees are required to wear a uniform for work. Even where there is no set uniform as such, many employees have clothes that they wear only to work and regard as 'work clothes'.

So, to what extent, if any, are employees able to claim a deduction for work clothes? And, on the other side of the coin, is there a tax liability if the employee is provided with a uniform or protective clothing by their employer?

General rule for deductibility of expenses

As a general rule, a deduction is only available for employment expenses that are wholly, exclusively and necessarily incurred in the performance of the duties of the employment.

This is a hard test to meet, and one which, due to duality of purpose, clothing will fail. Even if an employee wears certain clothes for work, the clothes also provide 'warmth and decency'.

Consequently, while an employee may be required to wear a suit and tie to work and only wears it for work, they have to wear something. Their job dictates the nature of what they wear, but as the clothing also provides warmth and decency the cost is not wholly and exclusively incurred, and as such no deduction will be permitted.

Specific industries: deduction for laundry costs, etc.

Although an employee cannot claim a general deduction for 'work clothing', if they work in certain industries for which a uniform of protective clothing is required, they may be able to get a fixed rate deduction for the repair and maintenance of work equipment, which includes special clothing.

The permissible fixed rate deductions are set out in a table which can be found in HMRC's Employment Income Manual at EIM32712. For example, uniformed prison officers are allowed an annual deduction of £80. It should be noted that the same rates have applied since 2008/09.

Employer-provided clothing

Where the employee is required to wear a particular uniform, often featuring the employer's logo, this may be provided by the employer for the employee to wear.

Where an employer provides a uniform or protective clothing to an employee for them to wear at work, generally, there is no tax liability for the employee, and nothing to report to HMRC. In this context, a 'uniform' is a set of clothing of a specialised nature which is recognisable as a uniform and which is intended to identify its wearer as having a particular occupation, for example, a nurse's uniform or fire service uniform.

By contrast, providing employees with ordinary clothes that are the same but have no identifying feature, such as black trousers and a green shirt, does not satisfy the definition of a uniform, and as such would not be exempt from tax. However, permanently fixing a corporate badge or logo to an otherwise ordinary item of clothing may be sufficient to make it a 'uniform'.

Employer-provided protective clothing is also exempt. This is genuinely protective clothing worn as a physical necessity because of the nature of the job. Examples may include overalls, boots and protective gloves.

Where the employer provides 'ordinary' clothes, this will trigger a taxable benefit, even if they are designed to confer a sense of corporate identity. A tax charge will also arise if uniforms or protective clothing are provided under a salary sacrifice arrangement.

Partner note: ITEPA 2003, s. 336; EIM 32450ff.