



June 2024

Information from Payroll Services (Clergy Team)

PIID Statement of Benefits 2023/2024

This is an important document which we are required to send to you by HM Revenue and Customs (HMRC). You will need it to complete your tax return so please keep it in a safe place. It is a standard document which uses text prescribed by HMRC; the use of employee and employer are for HMRC purposes and are not our terminology.

It is **not** an HLC annual return form - details about how to submit an HLC annual return form can be found on our website: www.clergypay.org

Form PIID is used to confirm any benefits provided to you during the tax year 6 April 2023 to 5 April 2024. For the majority of clergy this form will show your **total heating, lighting, cleaning and garden upkeep (HLC) allowance** at **section M** under '**Other Items - Not Nil-a-able**'. You will need to include this figure at box 13 on your Minister of Religion Tax Return.

If other benefits are applicable to your appointment these will be included at the relevant sections of the form and will need to be declared on your Tax Return.

Q. Why do I have to declare HLC on my tax return?

A. If you are eligible to receive HLC, it allows part of your gross stipend to be paid free of tax (and national insurance) at source. It is usual for HMRC to treat this element as a benefit in kind, as you are able to claim tax relief on the HLC costs for the whole of your property, not just the work-related proportion. The amount of the benefit subject to tax is calculated when you complete the Ministers of Religion pages from your tax return. You will receive tax relief on the work-related proportion of your costs using box 25 of the tax return. No adjustment is made in relation to the National Insurance saving.

Q. Why is the figure on my PIID different to the figure on my HLC return?

A. The figure under section M on form PIID is confirmation of the total HLC allowance you received during the last tax year. This will include any adjustment for the previous year so it relates to the figures you submitted on your 2022-23 annual return form, which was processed in the 2023-24 tax year.

For guidance on how to complete the Minister of Religion pages of your tax return, including links to the official HMRC notes and our own notes which we offer in good faith, please see the relevant section on our website www.clergypay.org

If you have a tax advisor or accountant to help you with your tax affairs they will need a copy of your PIID. It might also be helpful to forward them a copy of this insert, which is also available on our website.

If you were paid in the 2023/2024 tax year on the clergy payroll and need a copy of your PIID form you can view and print the form via our online People System. For more information on the People System please visit People System | The Church of England