FOR DIRECTORS AND EMPLOYEES · FREE DOWNLOAD

Business Mileage Tracker 2026/27 and 2027/28

Log your business journeys, apply HMRC's approved rates automatically and check what your company has paid you

Book a free 30-minute consultation

Get a fee estimate in 2 minutes

Need help with director's pay and expenses? Any work we do is for a fixed fee agreed up front.

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Welcome

If you use your own car, van, motorcycle or bicycle for work and claim mileage from your company, HMRC sets the most your company can pay you tax-free: the approved mileage allowance. This tracker logs each business journey, applies the right rate for the tax year automatically, and shows at the year end whether you are owed tax relief or have been paid too much.

Who it is for

- Company directors and employees claiming mileage from their company for their own vehicle.
- Not for sole traders: if you are self-employed, use simplified mileage in your own records (our Sole Trader MTD Kit includes a mileage log).
- Not for company cars: HMRC publishes separate advisory fuel rates for those.

Your download contains

- **Business-Mileage-Tracker-2026-28.xlsx**, with a blank journey log for you and an Example sheet with six filled-in journeys.
- This guide.

> **The one thing to know first:** keep the log as you go. Your company needs a record of each business journey to pay mileage tax-free, and HMRC can ask to see it if you claim relief. A log rebuilt from memory later is hard to rely on.

1. The rates

Approved mileage allowance payments, per business mile (checked against GOV.UK on 5 November 2026):

Vehicle	2026/27	2027/28
Car or van: first 10,000 business miles	55p	55p
Car or van: each mile over 10,000	25p	35p *
Motorcycle	24p	24p
Bicycle	20p	20p
Passenger payment, per fellow employee carried	5p	5p

The 55p rate is law from 6 April 2026 (Taxation (Energy and Vehicles) Act 2026). * The 35p rate from 6 April 2027 was announced at the Budget on 28 October 2026 and is still to be made law, so it could change. We will update the tracker if it does.

- **The 10,000 miles** are counted per tax year (6 April to 5 April) for each employment, adding together all the cars and vans you use for that job.
- **National Insurance** works differently: the first-10,000-miles rate applies to every car and van mile, so the National Insurance-free amount can be higher than the tax-free amount.

2. What counts as a business journey

Only journeys you make in the course of your work count. Typical business journeys:

- Visiting a client, customer or supplier.
- Travelling to a temporary workplace, such as a site you attend for a limited period or a particular task.
- Travelling between two places of work for the same employer.

These do **not** count:

- Ordinary commuting between home and your permanent workplace.
- Private journeys, or the private part of a mixed trip.

HMRC's employer guide 490 explains the rules in detail, including temporary workplaces: HMRC 490: employee travel.

3. Using the tracker

1. **Start here:** enter your name, the company you claim from, the tax year (2026/27 or 2027/28) and up to five vehicles with their type. Yellow cells are the only cells you type in.
2. **Journey log:** one row per journey: date, vehicle, from, to, purpose, business miles and any colleagues carried. The rate and amount due are worked out for you, switching to the lower rate once your car and van miles pass 10,000.
3. **Amount company paid:** enter what your company actually paid, per journey or as a monthly total on one row.
4. **Monthly summary:** miles and amounts by month, ready to attach to an expenses claim.
5. **Year summary:** compares what you were paid with the approved amount.
6. **Data checks** on the Start here tab flag missing dates, journeys outside the tax year, unknown vehicles and figures typed as text.

Example: 10,500 car miles in 2027/28 gives 10,000 × 55p + 500 × 35p = **£5,675.00**. The same miles in 2026/27 give 10,000 × 55p + 500 × 25p = **£5,625.00**.

4. Paid less than the approved amount?

If your company pays you less than the approved amount, or nothing at all, you can claim **Mileage Allowance Relief** on the difference. The relief reduces your taxable income; it is not a cash refund of the full shortfall. Claim it through your Self Assessment tax return, or through GOV.UK if you do not complete one. There is no relief for passenger payments your company does not pay.

GOV.UK: claim tax relief for vehicles you use for work · HMRC manual EIM31330: Mileage Allowance Relief

5. Paid more than the approved amount?

Anything your company pays above the approved amount is taxable pay. Your company must report it to HMRC and deduct tax, and the part above the National Insurance-free amount is liable to Class 1 National Insurance. The Year summary shows both figures: tell your accountant if either is above zero.

GOV.UK: business travel mileage for employees' own vehicles · HMRC 490, chapter 6: National Insurance and travel

6. Keeping records

- Record the date, where you went and why, and the business miles for every journey.
- Note the client or job so each trip can be matched to your diary or invoices.
- Give your company a copy of the Monthly summary with each claim, and keep the tracker safely in case HMRC asks to see it.
- Start a new copy of the tracker each tax year.

Sources

All figures checked against GOV.UK on 5 November 2026:
Travel: mileage and fuel rates and allowances
Budget 2026: overview of tax legislation and rates
Taxation (Energy and Vehicles) Act 2026
Check jacksonleeaccountants.co.uk for updates. General guidance only, not advice for your circumstances.

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Also available: *Pay Yourself Properly – The Director's Handbook 2027/28*, on Amazon.