

Expense guide

Introduction

This guide has been developed to provide clarity for you as an umbrella employee regarding the rules set by the Swedish Tax Agency (Skatteverket) that Frilans Finans must consider when processing your expenses. Frilans Finans has extensive experience with expenses. However, due to unclear guidelines regarding the Swedish Tax Agency's approval of expenses for umbrella employees' businesses, each case is assessed individually. This document is therefore referred to as a guide, and you are of course always welcome to contact Client Support for discussions and advice.

Deductible expenses

The basic principle is that you have the right to claim expenses for all expenses that are necessary for your professional activities, and are considered to be consumable, i.e., items that are consumed during the course of an assignment. Items of enduring value (such as tools, electronics, furnishings, etc.) are unfortunately not deductible for umbrella employees since these items must be present in the Frilans Finans premises during possible audits.

A purchase is deductible if you have purchased items of enduring value on behalf of your customer, and these items are transferred to the customer after completing the assignment. However, this expense is conditional given that the costs are specified in the invoice description that is sent to your customer.

Example of how to specify a receipt in the invoice description:

Description

Enter a detailed work description. This information will appear on your invoice.

Musician for Christmas show

Deductions that affect the invoiced amount (added on the invoiced amount excl. VAT)

Christmas shirt (H&M) - 249.99 SEK

Christmas decorations (Jula) - 99.99 SEK



If your customer should be charged for the cost of the item you purchased on their behalf, you will need to both include the cost as an expense and add the net amount of the expense to the total amount of the invoice (excluding VAT).

Example:

You are invoicing your customer 2,000 SEK excluding VAT.

You purchase an item that will be transferred to the customer, for which they will be charged, costing 500 SEK including 25% VAT.

You include the cost as an expense in the invoicing tool and add the net amount of the expense to the total amount of the invoice, specifying the purchase in the description.

The invoice to the customer will now be 2,400 SEK.

Regarding purchase of occupational attire are only protective clothing such as safety shoes, high-visibility clothing, protective goggles, and similar items deductible according to the Swedish Tax Agency. The remaining clothing is considered as private expenses. If a specific costume or similar is required for an assignment must the purchase therefore be specified in the invoice description to be eligible as an expense.

If a purchase is considered as a private expense or if the item is of enduring value and therefore not approved as expenses through Frilans Finans, you may try to include them in your personal income tax return. This applies if the cost is strongly related to your work.

How do I proceed?

To claim expenses through Frilans Finans, add your expense in the invoicing tool under Section 3: Distribution of Money > Show Details > Add expense. Thereafter you fill in the information that is required for us to process your expenses.

Select a expense category – choose the category after the VAT on the purchase. The receipt always specifies which VAT rate that has been paid.

If there is no VAT shown on the receipt or if the supplier is from a country abroad, you choose the category with 0%.

Supplier – Enter the name of the supplier here.

Including VAT – Enter the total amount on the document (including VAT) here.

Excluding VAT – This field cannot be edited since it is an automatic calculation based on the amount you enter at “including VAT”. You can make sure that this amount corresponds to the information on the receipt.

The expense will be assigned a “LeVID”, which is a unique code for your document. It is with the help of this code that we at Frilans Finans keep track of your expenses. If you forget your LeVID, you can find it again under My Pages > Economy > Expenses.

Once your expenses are added to the invoice, you need to submit your documents (receipts, invoices, confirmation of payment etc.) to us.

Documents – You can attach your documents directly in the invoicing tool when adding an expense. The documents will then be forwarded for processing as soon as your invoice has been reviewed.

If you received your documents by email, you are also able to forward the email or attach the files you received in an email to avdrag@frilansfinans.se. Please mark the email with your associated LeVID.

You can attach photographed or scanned physical documents in the invoicing tool or send them by email. Be aware that you in this case need to save the document for three years in case Frilans Finans may need to report it as a basis for the expense to the Swedish Tax Agency. If the document exceeds 2,000 SEK, please see below.

Documents exceeding 2,000 SEK – If you have physical receipts or other paper-based documents that exceed 2,000 SEK, you must mail them to our address in Uppsala. Mark the front of your receipts with their associated LevID and send them to the address below.

Frilans Finans AB
Dag Hammarskjölds väg 13
752 37 Uppsala

OBS

Documents regarding expenses that exceed 2,000 SEK should be addressed to Frilans Finans (same address as above) with you as a reference, e.g.:

*Frilans Finans AB
Ref. xxx xxx
Dag Hammarskjölds väg 13
752 37 Uppsala*

The invoice must also be paid in advance unless otherwise agreed. Please feel free to contact Client Support if you have any questions about this.

Please note that you can only claim expenses for expenses up to one year from either the purchase date or the date of the invoice. The purchase must also relate to an invoiced assignment.

We will process your documents for reimbursement as soon as possible and later include them for payment when your salary of the related invoice is due. For further discussions and advice, please feel free to contact us at Client Support.

Examples of what you can claim expenses for

Below you will find examples of what you can claim expenses for. If what you wish to claim expenses for is not included in the table, please contact us at Client Support.

| | Deductible expenses: | Non deductible expenses: | Keep in mind: |
|-------------------------|--|--|--|
| Telephone | Cash card | Cellular plan | |
| Office supplies | Pens, paper, clips, erasers, ink cartridges | Printer, scanner, fax machine, desk, chair | It's not possible to claim an expense for items that have enduring value. |
| Equipment Rental | Computer rental, excavator rental, drilling machine rental, grinding machine rental | Computer, excavator, drill, sander | It's possible to claim an expense if the cost pertains to the rental of tools needed for the performance of the profession. It's not possible to claim an expense for tools that have enduring value. |
| Travel expenses | Hotel, rental car, gas for rental car | Lunch, coffee, dinner | Costs for food must be treated as preferentially taxed; unfortunately, the option for claiming an expense for food costs does not exist. You can apply for compensation in the form of an allowance. |
| Consumables | Paint, cleaning materials, nails, screws, plugs, etc. | | The cost must be related to the work performed. |
| Work clothes | Protective clothing such as clothes with steel caps, high-visibility vests/clothing, safety glasses, etc | T-shirts, socks, etc | This applies only to protective clothing necessary for the performance of the profession. |
| Porto | Postage stamps, waybills, shipping, etc. | | |
| Transport | Car, boat, train, plane, taxi, parking, subway | | The date of the expense must correspond with the invoice date |