

## Interest-free and low interest loans

This form shows:

- the average official rates of interest, and
- the actual official rates of interest

for 2010-11 (that is 6 April 2010 to 5 April 2011).

This will help you calculate the cash equivalent of any interest-free or low interest loans you provided for a director or employee who earned at a rate of £8,500 or more.

Booklet 480(2011) *Expenses and benefits - A tax guide* contains details of the arrangements for taxing interest-free and low interest loans. You may also find that P11D *Working Sheet 4* is a useful way to calculate the cash equivalent.

Form P11D *Working Sheet 4* and booklet 480(2011) are both available from the Employer Orderline.

See 'General information' below for details on how to contact the Orderline.

## Official interest rates

For loans outstanding throughout, or for only part of, 2010-11.

The **average** official rate is 4%.

The **actual** official rate is as follows:

From	To	Rate	Number of days
06/04/2010	05/04/2011	4%	365

## Official interest rates for certain loans made in other currencies

Please read paragraph 17.5 of the booklet 480(2011). If the conditions set out in that paragraph are met, then the following rates apply.

For loans outstanding throughout, or for only part of 2010-11.

### Japanese Yen

The **average** official rate is 3.9%.

The **actual** official rate is as follows:

From	To	Rate	Number of days
06/04/2010	05/04/2011	3.9%	365

### Swiss Francs

The **average** official rate is 5.5%.

The **actual** official rate is as follows:

From	To	Rate	Number of days
06/04/2010	05/04/2011	5.5%	365

## General information

If you require further copies of this form, please contact your local HM Revenue & Customs (HMRC) office, Enquiry Centre or from the Employer Orderline the contact details are as follows:

- Internet [www.hmrc.gov.uk/employers](http://www.hmrc.gov.uk/employers)
- phone **08457 646 646**
- if you use a textphone, dial the Tynetalk service on **0800 95 95 98**. Tell the operator the Orderline phone number. They will make contact and relay your order, at the end of the call they will give you your order number.