

Combining a business trip with a holiday

If an employee combines a business trip to a foreign country with a holiday in the same foreign country, the expenses incurred to the employee are calculated and taxed as follows.

- ✘ If, by agreement of the parties, an employee goes to the business trip destination at the expense of their holiday before the business trip begins or returns from the business trip location after the end of the work assignment, then the days of holiday are excluded from the calculation of the daily allowance and accommodation costs, but the reimbursement of travel expenses is the employer's expense, because even without the holiday, the employer would have had to send and bring back the employee from the business trip at its own expense.
- ✘ If the employee's going to or coming from the place of the business trip during holiday does not increase the employer's travel expenses, then no fringe benefit is granted. If the travel expenses increase, the employer has the right to reimburse the travel expenses exempt from tax to the extent of the travel expenses on the date after the business trip. The part of the increased travel expenses (the difference between the travel expenses of the date after the work assignment and the date chosen for the employee's personal interests) is paid by the employee, or if the travel expenses are reimbursed by the employer, it is taxed as fringe benefit.
- ✘ If a holiday trip with no work purpose is formalised as a business trip, all expenses reimbursed to the employee are taxed as fringe benefit.
- ✘ If travel tickets are purchased at a cheaper price so that a weekend is included, the trip is usually also formalised according to the dates of the travel ticket. At the same time, there can be situations where a business trip is formalised to begin on Monday, but a travel ticket has been purchased for the previous weekend, or the work assignments on a business trip end on Friday, but the ticket has been purchased for Sunday. Since this is primarily about saving the employer's financial resources (no daily allowance is paid for the weekend and accommodation is not reimbursed), and it is not about granting a fringe benefit to the employee, travel tickets with dates on the days immediately preceding or following the business trip can be considered an expense related to the business trip and no fringe benefit is generated.

Last updated on 08.01.2025