

**EMPLOYEE REPRESENTATION
REGARDING USE OF COMPANY VEHICLE**

The IRS requires employers to provide certain information on their tax return with respect to the vehicles provided to employees. This information is also used to calculate the amount of the fringe benefit to be included in the employee's Form W-2 income.

The IRS generally requires that written records be maintained to document the business use of vehicles. Since the company policy requires employees to maintain the detailed records, please provide answers to the following questions. If you were provided more than one vehicle that was used during the year, you need to prepare a separate statement for each vehicle.

The completed form must be returned no later than _____ or 100% of the value of the use of the vehicle will be included in your Form W-2 income. (date)

Description of vehicle _____

Reporting period from _____ to _____

Odometer reading: Beginning _____ Ending _____

Employee Representation

- | | | |
|---|-------|----|
| 1. Was the vehicle available for your personal use during off-duty hours? | YES | NO |
| 2. Did you have another vehicle available for your personal use (this includes a vehicle you own personally)? | YES | NO |
| 3. Are you an officer or 1% or more owner of the business? | YES | NO |
| 4. How many commuting round trips did you make in this vehicle? | _____ | |
| 5. For the reporting period specified above, please provide the number of miles for each of the following categories: | | |
| Total commuting miles (home to work) | _____ | |
| Total other personal (non-commuting) miles | _____ | |
| Total personal | _____ | |
| Total business miles | _____ | |
| 6. Did the employer pay the cost of fuel consumed by this vehicle? | YES | NO |

(EMPLOYEE SIGNATURE)

(DATE)

**(EMPLOYER CALCULATION WORKSHEETS 1, II & IH)
 WORKSHEET TO CALCULATE INCOME
 FROM PERSONAL USE OF COMPANY VEHICLE**

EMPLOYER'S WORKSHEET TO CALCULATE EMPLOYEE'S TAXABLE
 INCOME RESULTING FROM EMPLOYER-PROVIDED VEHICLE
 FOR CALENDAR YEAR

EMPLOYEE:

DESCRIPTION OF VEHICLE:

DATE VEHICLE FIRST MADE AVAILABLE TO ANY EMPLOYEE:

DATE VEHICLE FIRST MADE AVAILABLE TO THIS EMPLOYEE:

Select one method (note limitations on methods II and III)

METHOD I - ANNUAL LEASE VALUE METHOD (For Vehicles Available 30 Days or More)

Fair market value of vehicle (to be redetermined at the beginning of the fifth year and every four years thereafter)	\$	_____
Annual lease value, per attached chart	\$	_____
Enter number of days during the year that the vehicle was available	x	_____
Divide by number of days in tax year	/	365 _____
Prorated annual lease value	=	_____
Personal use % (personal/total miles, per statement from employee)	x	_____ %
Personal annual lease value	= \$	_____
If fuel is provided by employer, enter personal miles __ x .0555	+	_____
Personal use taxable income (Add to W-2 Wages and deduct from net pay)	= \$	_____

**WORKSHEET TO CALCULATE INCOME
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METHOD II - STANDARD MILEAGE RATE METHOD

Generally, in order to qualify to use the cents-per-mile method, the vehicle must: (1) be expected to be regularly used in the employer's business throughout the calendar year, or (2) be driven at least 10,000 miles per year, and (3) have a fair market value of \$15,300 or less (\$16,200 for trucks or vans). Once this method is adopted for a particular vehicle, it must be continued until the vehicle no longer qualifies.

Enter personal miles (1/1 – 12/31) _____ x \$0.565 = _____

If fuel is NOT provided by the
Employer enter Business miles _____ X \$0.565 = (_____)

Personal use taxable income \$ _____

METHOD III - SPECIAL COMMUTING METHOD

This method may only be used for vehicles covered by a written policy that allows commuting but no other personal use. *DO NOT USE* if employee is a 1% or more owner, an officer with compensation of \$95,000 or more, or an individual with compensation equaling or exceeding \$195,000.

Number of commuting round trips made _____

Value per **round trip (\$1.50 one way)** _____ x \$ 3.00

Personal use taxable income \$ _____

IRS ANNUAL LEASE VALUE TABLE

Automobile Fair Market Value	Annual Lease Value	Automobile Fair Market Value	Annual Lease Value
\$ 0 – 999	\$ 600	\$22,000 – 22,999	\$ 6,100
1,000 – 1,999	850	23,000 – 23,999	6,350
2,000 – 2,999	1,100	24,000 – 24,999	6,600
3,000 – 3,999	1,350	25,000 – 25,999	6,850
4,000 – 4,999	1,600	26,000 – 27,999	7,250
5,000 – 5,999	1,850	28,000 – 29,999	7,750
6,000 – 6,999	2,100	30,000 – 31,999	8,520
7,000 – 7,999	2,350	32,000 – 33,999	8,750
8,000 – 8,999	2,600	34,000 – 35,999	9,250
9,000 – 9,999	2,850	36,000 – 37,999	9,750
10,000 – 10,999	3,100	38,000 – 39,999	10,250
11,000 – 11,999	3,350	40,000 – 41,999	10,750
12,000 – 12,999	3,600	42,000 – 43,999	11,250
13,000 – 13,999	3,850	44,000 – 45,999	11,750
14,000 – 14,999	4,100	46,000 – 47,999	12,250
15,000 – 15,999	4,350	48,000 – 49,999	12,750
16,000 – 16,999	4,600	50,000 – 51,999	13,250
17,000 – 17,999	4,850	52,000 – 53,999	13,750
18,000 – 18,999	5,100	54,000 – 25,999	14,250
19,000 – 19,999	5,350	56,000 – 57,999	14,750
20, 000 – 20,999	5,600	58,000 – 59,999	15,250
21,000 – 21,999	5,850		

For Vehicles having a fair market value in excess of \$59,999, the annual lease value = (0.25 x the auto's fair market value) + \$500