



Office of the State Comptroller  
**PAYROLL BULLETIN**

<b>Subject</b> Revised Procedures for Reporting the Value of Personal Use of Employer Provided Vehicles for 1988	<b>Bulletin No.</b> REVISED - P-584
	<b>Date</b> December 7, 1988

This is to revise Bulletin P-581, dated October 18, 1988, which contains instructions for reporting the taxable value of State provided vehicles for 1988.

A change in the Fixed Rate Method has been made. IRS has increased the rate per mile from 22.5 cents to 24 cents per mile for the first 15,000 miles, retroactive to January 1, 1988. For miles over 15,000, the rate remains at 11 cents per mile. Also, if gasoline is not supplied or reimbursed by the employer the rates remain at 17.5 cents and 5.5 cents, respectively.

Attached to this Bulletin is a revised form with the change to 24 cents per mile under the Fixed Rate Method for miles travelled after January 1.

If you have already submitted PR-75's reporting Fringe Benefits for employees who used the Fixed Rate Method, do not submit corrected PR-75's. Submit a letter to the Payroll Deduction Section, Attention Bob Phelan. Include both the amount previously reported and the corrected amount.

STATEMENT OF PERSONAL USAGE OF STATE PROVIDED VEHICLES

AGENCY CODE \_\_\_\_\_

AGENCY NAME \_\_\_\_\_

LINE NUMBER \_\_\_\_\_

EMPLOYEE NAME \_\_\_\_\_

SOCIAL SECURITY \_\_\_\_\_

ANNUAL LEASE VALUE METHOD

YEAR MAKE MODEL AUTOMOBILE FAIR MARKET VALUE

TOTAL MILES PERSONAL USAGE BUSINESS MILES

\*ANNUAL LEASE VALUE X BUSINESS MILES / TOTAL MILES = \$ AMT. FOR BUSINESS USE

GASOLINE CALCULATION 5.5¢ x NO. OF PERSONAL MILES = \$ AMT. OF GASOLINE

OR

TOTAL COST OF GASOLINE X % OF PERSONAL MILES = \$ AMT OF GASOLINE

\$ ANNUAL LEASE VALUE - \$ BUSINESS USE + \$ AMT. OF GASOLINE + \$ CHAUFFEUR AMT. = \$ TAXABLE FRINGE BENEFIT AMT.

\*ONCE THE ALV IS ESTABLISHED, IT MUST BE USED FOR FOUR YEARS OR UNTIL THE AUTOMOBILE IS REPLACED.

FIXED RATE METHOD

NO. OF MILES COMMUTING OR PERSONAL UP TO 15,000

Nov 1-Dec 31, 1987 X 22.5 =

Jan 1-Oct 31, 1988 X 24 =

NO. OF MILES IN EXCESS OF 15,000 X 11¢ =

TAXABLE FRINGE BENEFIT TOTAL \$

IF GASOLINE IS NOT SUPPLIED OR REIMBURSED USE 17.5¢ and 5.5¢, RESPECTIVELY.

SPECIAL COMMUTING RULE

NO. OF TRIPS COMMUTING (EACH WAY) x 1.50 = TAXABLE FRINGE BENEFIT AMT.

TO EMPLOYEE

COMPLETE AND SIGN THIS FORM AND RETURN IT TO YOUR PERSONNEL OFFICE

EMPLOYEE SIGNATURE/DATE

PERSONNEL - ENTER "TAXABLE FRINGE BENEFIT AMOUNT" IN BLOCK 49 WHEN PREPARING THE PR-75 RETAIN THIS FORM FOR YOUR RECORDS.