

## Archdiocese of Chicago

### Pastoral Center Mileage Reimbursement Guidelines

An employee can receive nontaxable business mileage reimbursements when using their personal vehicle for business travel. **Commuting to and from work is not considered business travel.** Mileage reimbursement is meant to cover those miles incurred above and beyond the employee's normal commute to his/her place of work. For example, if the normal commuting round trip is 20 miles, and the employee goes on a trip that covers 75 miles, only the incremental 55 miles are reimbursable.

Employee business mileage reimbursement is not considered compensation by the IRS and therefore is not taxable. The IRS establishes a maximum amount per mile for mileage reimbursement, which is adjusted each year. The Archdiocese generally follows the yearly IRS mileage reimbursement determination but may opt to allow a lower rate. Each year the Archdiocese will announce the rate it will adopt for that given year.

Employees must keep records that satisfy IRS accountability and Archdiocesan standards. One method is to use a mileage log to record the initial and ending odometer reading for the trip and miles driven; another alternative is a web-based mapping site such as "googlemaps" or "mapquest". The documentation for travel also needs to include the date, the purpose of the trip and where the vehicle was driven.

There are a few other rules that must be kept in mind regarding business mileage reimbursements. It is the employee's responsibility to submit the request for reimbursement **no later than the 15th of the month following the date the miles were driven.** Failure to submit the request for reimbursement with the required records (such as a copy of the employee's mileage log) in a timely manner may result in reimbursements being denied.