



## ADMINISTRATIVE POLICY & PROCEDURE MANUAL

**SECTION:** Financial

**POLICY NO.:** 4203

**ADMINISTERING DEPARTMENT (S):** Finance

**SUBJECT:** Take Home Vehicles

**Purpose:**

To establish procedures for the use of City owned/leased take home vehicles.

**Policy:**

Employees, who by the special nature of their work or when the economic interest of the City dictate, may be provided a City take home vehicle. Department Directors will determine who requires a take home vehicle and will establish departmental procedures governing the care and use of such vehicles.

**Definitions:** N/A

**Administrative Repeal:**

The provisions contained herein shall supersede and replace all prior policies and procedures regarding this subject.

Garry Brumback, Assistant City Manager     4/14/06  
for William B. Horne II, City Manager     Date

**Procedure:** See attached.

Effective Date:

Amended or Reissue Date:

Reference(s):

Statutes: IRS Code 132 Fringe Benefits 1.132-5 (E) (K) 2iiA Ordinances: \_\_\_\_\_

Resolutions: \_\_\_\_\_ Legal Opinions: \_\_\_\_\_

Administering Department \_\_\_\_\_

Policy Committee \_\_\_\_\_



## **ADMINISTRATIVE POLICY & PROCEDURE MANUAL**

### **Procedure: Take Home Vehicle Procedure**

#### **General Use:**

Routinely, take home vehicles will not be used for personal purposes other than commuting between work and home or "de minimus" use, such as occasionally stopping for a personal errand on the way to or from work to home along a normally traveled route. This also applies to the transporting of passengers including family and /or friends.

Any employee with a take home vehicle that does not fit the criteria of the IRS regulations "Qualified Nonpersonal-Use Vehicles", exempting them from being taxed the value of commuter mileage will have that value added to his/her W-2 using the "Commuting Rule":

#### **Commuting Rule:**

Applies to motor vehicles (this includes cars, SUV's, Pick-up Trucks, and Vans) primarily for use on public streets, roads or highways. These vehicles will be used for City related business and "de Minimus" personal use only.

Employees who are required, for bona fide noncompensatory city reasons to commute in one of these vehicle's will have the amount of \$1.50 added to taxable income for each one-way commute (\$3.00 per day).

The employee will be responsible for tracking the number of days they use this City vehicle for commuting. Vacation, holidays, sick leave days, floating holidays, etc. need not be tracked.

City departments will notify the Payroll Division of all employees with commuting vehicle that require adding taxable income and of any changes throughout the year. Departments will ensure that employee's provide to the Payroll Division documentation of their commuting use by the last pay period end date in each quarter. Payroll will verify the employees' documentation and adjust their taxable income as appropriate.

#### **Qualified Nonpersonal-Use Vehicle:**

A qualified nonpersonal-use vehicle is any vehicle the employee is not likely to use more than minimally for personal purposes because of its design. The de minimus use of these vehicles to include the occasional transporting of passengers is permitted. These include the following vehicles:

- Clearly marked police and fire vehicles used by law enforcement officers if use is officially authorized.
- A police or fire vehicle, that is required to be used for commuting by a police officer or fire fighter who, when not on a regular shift, is on call at all times provided that any personal use (other than commuting) of the vehicle outside the limit of the police officer's arrest powers or the fire fighter's obligation to respond to an emergency is prohibited.
- Any vehicle designed to carry cargo with a loaded gross vehicle weight over 14,000 pounds.
- Delivery trucks with no more seating than for driver and folding jump seat, bucket trucks, cement mixers, combines, cranes and derricks, dump trucks, flatbed trucks, tractors and other special purpose vehicles.



## ADMINISTRATIVE POLICY & PROCEDURE MANUAL

- Pick-up Truck with a loaded weight less than 14,000 lbs. If the vehicle is clearly marked with permanently affixed decals or painted City logo/name and meets one of the following requirements:
  - Is equipped with a hydraulic lift gate, permanently installed tanks or drums, permanently installed side boards or panels materially raising the level of the sides of the bed, or other heavy equipment, such as a electric generator, welder, boom, or crane used to tow other vehicles.
  - Or the cargo area constantly carries material or equipment used for City business.
- Vans with a loaded gross vehicle weight of 14,000 pounds or less if it has been clearly marked with permanently affixed decals or painted City logo/name and meets one of the following requirements:
  - Permanent shelving that fills most of the cargo area.
  - An open cargo area and the van always carries merchandise, material, or equipment used for City business.
  - Has no more than one seat other than the drivers seat.

Administering Department\_\_\_\_\_

Policy Committee\_\_\_\_\_