

10/15/18

Does your agency provide you with a car allowance and if so, how much?

Before sending out this question, we got a weigh-in from OIG

There are a myriad of issues that are involved as to what is being reimbursed, etc. Each issue needs to be considered by the PHA.

Quickly off the TOP of my off my head based on the rules. 2 CFR 200 requires costs to be supported.

A car allowance is tricky. If it is not supported by actual mileage, it is income to the employee. It has to be included in the W-2 as income. The employee then deals with the taxes and deduction for vehicle mileage. Employee must maintain mileage logs to get their tax deduction on their taxes. The PHA would want to take out withholding and taxes out of the amount.

If a car allowance is reimbursement of actual miles, it is a reimbursable travel expense, different tax rules apply and the employee does not get a deduction on their tax return and it is not included in their income or W-2. However, mileage must be for business and not commuting to and from the office. Employee must maintain mileage logs.

A PHA owned vehicle also need to have the mileage supported. It must be insured and gas is paid by the authority. Gas purchases must be supported by receipts. If an employee is allowed to drive the vehicle home, the home to office mileage is personal use and that cost must be determined by mileage logs and reported as income to the employee.

There is a whole IRS supplement on this on vehicles and business vs personal use.

There are also liability issues that arise in both cases. A PHA vehicle carries a bigger liability risk.

Of those responding, PHAs who said they get reimbursed IRS rate mileage for use of personal car when on PHA business, no PHA vehicle/no allowance: 13

Not currently. Will be requesting at \$650/mth

This agency purchased a work truck for me that I drive for agency business only

\$50.00 a month

Four employees receive a monthly allowance for using their personal vehicles for housing authority business. The monthly pay is \$25.00- Resident Service Coordinator; \$50.00 –Assistant PHA Housing Manager ; \$75.00 - Section 8 Manager and \$375 - Executive Director.

Yes - \$125 month.

My secretary gets a car allowance for going to the banks, post office, get checks signed etc. her allowance is based on the government mileage rate, for the number of approximate number of trips and mileage. I do not get a monthly mileage, I do get mileage based on actual trips.

\$100 per month for PH--50 units

\$50 per month for Section 8--34 vouchers

I have to pay income tax on it because I don't keep up with mileage or receipts.

175 month with taxes withheld. This lessens record keeping. We have 3 sites so we all use our personal cars. ED/Assistant receives 50 a piece.

Yes, ED \$150.00 per month, and office manager \$20.00 per month. We have one Company vehicle for maint. staff.

Yes, 20.00 per paycheck (every 2 weeks) for ED and 10.00 per paycheck for ED assistant

\$62.50 every 2 weeks

\$75.00 a month

Due to IRS complexities, our board felt that in lieu of a car allowance, it would be simpler to just raise the ED's salary by the amount of what the car allowance was, and

let him/her use their personal car. The E.D. can still claim mileage for direct reimbursement on trips out of the area

Yes \$150.00 per month

Car allowance \$150 per month

\$500/month

Yes \$100.00

HA owns a vehicle.

Yes. Just raised to \$250 monthly.

Our guys get \$200 a month and two tanks of fuel.

2 vehicles for use of Administrative staff. If using personal vehicle we get IRS mileage rate.

E.D. is paid \$65.00 per month, personal vehicle used for in town only - 120 Miles @ 54.5 cents

\$75.00 per month

we have company cars

Yes, \$200/month

75.00 per month

At present no one is getting an allowance. What we do for those who have use of a car is a taxable amount of \$3.00 per day (for us it is 4 times a week) and it is charged to the persons allowed to use a car. This amount is deducted from their pay.

\$50.00

No, we have agency vehicles so I need to travel or conduct daily business. Besides its taxable income and has to be reported. Don't want to do that.