Personal Use of an IU Vehicle

New Process to report miles in Chrome River

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Special “Thanks” to Lora Headdy-Fox and Damon Dorsey in Information Technology
Is Personal use taxable?

- Yes, taxable to the employee
- Considered reportable income per the IRS
- Reported on your W-2 at year end

<table>
<thead>
<tr>
<th>Business Use of a Vehicle – Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traveling between the employee’s main or regular place of work and another regular place of work.</td>
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<tr>
<td>Traveling between the employee’s main or regular place of work and a temporary work location.</td>
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<tr>
<td>Traveling between the employee’s home and a temporary work location.</td>
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<td>Using the vehicle to run a personal errand from his/her work location.</td>
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<tr>
<td>Using the vehicle on weekends or days off for other than University business.</td>
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<tr>
<td>Commuting, i.e., traveling between the employee’s home and his/her main or regular place(s) of work.</td>
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</table>

Personal use of a University vehicle is any use that is not for official University business, see below for examples:

The University reports as taxable wages the value of the personal use of a University vehicle to the IRS, the state and the employee on Form W-2, Wage and Tax Statement. The University must withhold FICA tax (i.e., 1.45% Medicare tax plus 6.2% OASDI tax, if applicable) on this additional compensation from the employee’s regular pay during the year.
Old Process:

- Lots of Communication
  - Departments, FO, EE
- Large lists from Departments
  - Maintained with constant updates
- Signatures from all Fiscal Officers
- EE’s submit paper forms for the year
- Upload all information into Payroll on Nov paycheck

New Process:

- Minimal Communication
  - after this year [2018]
- Small lists of EE’s with IU Vehicle
- Delegate/EE entering into Chrome River monthly
  - By the 15th of the following month
- Will see on next monthly paycheck
Set-up your Delegate

- Log into Chrome River
- Set-up your delegate
  - Employee can set-up an individual delegate
  - Click “your name”, Settings, Delegate Settings, Add New Delegates
- One delegate for a group of employee’s
  - Contact travelbl@Indiana.edu

You or your delegate must enter mileage into Chrome River on a *monthly* basis.
Resources

- **Tax Webpage**
  - [https://fms.iu.edu/tax/employees/fringe-benefits/personal-use-vehicle/](https://fms.iu.edu/tax/employees/fringe-benefits/personal-use-vehicle/)

- **Tax Standard Operating Procedure**

- **University Tax Services**
  - [taxpayer@iu.edu](mailto:taxpayer@iu.edu)