

# 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

Business Use of a Vehicle – Examples
Traveling between the employee's main or regular place of work and another regular place of work.
Traveling between the employee's main or regular place of work and a temporary work location.
Traveling between the employee's home and a temporary work location.

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

Personal Use of a Vehicle – Examples
Using the vehicle to run a personal errand from his/her work location.
Using the vehicle on weekends or days off for other than University business.
Commuting, i.e., traveling between the employee's home and his/her main or regular place(s) of work.

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 15<sup>th</sup> 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](mailto:travelbl@Indiana.edu)

The screenshot displays the Chrome River user interface. At the top, the user's name 'Tonya Pottorff' and title 'Tax Accounting Associate' are shown. A navigation menu on the left includes 'Personal Settings', 'Preferences Settings', 'Delegate Settings' (highlighted), 'Notification Settings', 'Privacy Policy', and 'About Chrome River'. The main content area is titled 'My Delegates' and contains the text: 'A "Delegate" is someone who has full access to your account.' Below this, a delegate named 'Cassandra Franks' is listed with the title 'University Tax Director'. There is an 'X' icon next to the name. At the bottom of the delegate list, there is a blue button with a plus sign and the text 'Add New Delegates'. Below the delegate list, there is a section titled 'My Approval Delegate' with the text: 'An "Approval Delegate" helps you with approvals during a specified time.' At the bottom of this section, there is another blue button with a plus sign and the text 'Add Approval Delegate'.

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/>
- ▶ Tax Standard Operating Procedure
  - ▶ [https://fms.iu.edu/index.php/download\\_file/1366/](https://fms.iu.edu/index.php/download_file/1366/)
- ▶ Motor Pool
  - ▶ <https://fleetservices.indiana.edu/>
- ▶ Tech issues with Chrome River
  - ▶ Lora Headdy-Fox [ldingram@iu.edu](mailto:ldingram@iu.edu)
  - ▶ Damon Dorsey [dadorsey@iu.edu](mailto:dadorsey@iu.edu)
- ▶ University Tax Services
  - ▶ [taxpayer@iu.edu](mailto:taxpayer@iu.edu)