



EMPLOYEES' MOTORING & SUBSISTENCE EXPENSES

Motoring Expenses

Where employees use their private cars for business purposes, re-imbusement in respect of allowable motoring expenses can be effected by way of flat-rate mileage allowances.

There are two types of mileage allowance schemes which are acceptable for tax purposes, if an employee bears **all** the motoring expenses:

- The prevailing schedule of Civil Service rates; or
- Any other schedule with rates not greater than the Civil Service rates.

Civil Service Rates

The Civil Service motor mileage rates for motor cycles and cars are as follows:

Motorcycle Mileage Rates effective from 1 January 2002		
Engine Capacity		
150cc or less	151cc to 250cc	251cc and over
21.17 cent per mile	29.54 cent per mile	39cent per mile

Motor Mileage Rates effective from 1 January 2002			
Official Mileage in a calendar year	Engine Capacity		
	Up to 1,200cc	1,201cc to 1,500cc	1,501cc and over
Up to 4,000	79.70 cent	93.04 cent	108.23 cent
4,001 and over	40.86 cent	46.75 cent	50.32 cent

Transitional Arrangements for certain categories

Individuals whose current cars are between 1,138cc and 1,200cc are allowed to avail of the rates applying to the new middle car category (engine capacity of 1,201cc to 1,500cc) on a personal basis from 1 January 1999 to 31 May 2004, provided that they have not changed or do not change to a car which is under 1,138cc during this period - in the event of such a change the appropriate lower rate applies from the date of change of the car.

Individuals whose current cars are between 1,388cc and 1,500cc are allowed to avail of the rates applying to the new large car category (engine capacity of 1,501cc and over) on a personal basis from 1 January 1999 to 31 May 2004, provided that they have not changed or do not change to a car which is under 1,388cc during this period - in the event of such a change the appropriate lower rate applies from the date of change of the car.

Further Information

The foregoing re-imbusement rates may be applied **without specific Revenue approval** where a satisfactory recording and internal control system is in operation. For further information see leaflet IT51 - *Employees' Motoring Expenses*.

Subsistence Expenses

For general information on re-imbusement of subsistence expenses to employees see leaflet IT54 *Employees' Subsistence Expenses*.

Absences within the State

The schedule of rates based on the current Civil Service subsistence rates for absences within the State is set out hereunder:

Class of Allowances	Rates effective from 1 January 2003				
	Night Allowances			Day Allowances	
	Normal Rate	Reduced Rate	Detention Rate	10 hours or more	5 hours but less than 10 hours
	€	€	€	€	€
A - Rate	124.11	114.42	62.04	35.17	14.34
B - Rate	111.52	95.38	55.78	35.17	14.34
C - Rate	93.27	77.17	46.68	35.17	14.34

Notes on Schedule:

There are detailed rules and conditions governing the payment of subsistence allowances in the Civil Service. The following notes are indicative of some of the relevant provisions:

(i) Class of Allowances

The rate of allowance depends on the grade of officer. The approximate grade levels and present minimum annual salaries, are broadly as follows:

Class A:

Assistant Principal, comparable and higher grades.
€48,166

Class B:

Executive and Higher Executive Officers and comparable grades. €26,873

Class C:

Executive Officers, Clerical Officers and comparable grades with salaries above €14,736

(ii) Overnight Allowance

Overnight Allowance (over 24 hours absence)

An overnight allowance covers a period of 24 hours from the time of departure, as well as any further period not exceeding 5 hours, which is necessarily spent away from the normal place of work.

Where an absence exceeds 24 hours, a day allowance at the appropriate rate may be paid only if the last period of 24 hours is exceeded by 5 or more hours.

Normal Rate

This is payable for absences up to 14 nights.



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Reduced Rate

This is payable for each of the next 14 nights.

Detention Rates

This is payable for each of the next 28 nights.

Absences Over 56 Nights

Special rules apply, details of which are available from local tax offices.

The period of subsistence at any one location is limited to six months. Any departure from this position e.g. for continuation of the subsistence period for a short duration, is considered on the circumstances of the individual case.

Continuous Absence

Certain absences from a particular temporary location would not be regarded as breaking the continuity of stay for the purpose of reducing the subsistence allowance. These absences would include absences of not more than two nights due to a return on official business to the employee's normal place of work, plus any nights of a weekend or public holidays or return visits home or annual leave. These absences would not, of course, qualify for subsistence allowance.

Teamworkers

Where employees are working as team members and it is necessary for junior team members to stay in the same accommodation as senior team members who qualify for a higher rate of subsistence, such higher rate may also apply to the junior team members.

(iii) Day Allowances: (i) 5 to 10 hours absence (ii) over 10 hours absence

A day allowance applies to continuous absence of 5 hours or more, provided the absence is not at a place within 5 miles of the employee's home or normal place of work. There are two categories of day allowance, namely, 5 to 10 hours absence and over 10 hours absence.

Absences outside the State

Details of the quantum of Civil Service subsistence rates for certain foreign countries are available from the tax office.

The Civil Service schedule of rates may be applied in the following manner in respect of temporary (up to six months) absence:

Period of Assignment Abroad	% of Subsistence Rate for Relevant Location
First Month	100%
Second and Third Month	75%
Fourth, Fifth and Sixth Month	50%

The rates may be used only in respect of the re-imbursment of allowable subsistence expenses where the employee is working abroad on a foreign assignment. 'Working abroad on a foreign assignment' means that the employee is actually performing the duties of the employment abroad for a temporary period. Where actual vouched expenses exceed the flat rate allowances such vouched expenses may be used instead of the flat rate allowances.

Long-term absences

For long-term absences (where assignment period is greater than six months), reimbursement of allowable subsistence expenses may be in the following manner:

Period of Assignment Abroad	Allowable Subsistence
First month of assignment (to facilitate the employee obtaining self catering accommodation)	Up to Civil Service Night Rate
Remainder of Assignment	Up to the cost of reasonable accommodation, plus 50% of the day rate (i.e. over 5 hours) for the location.

Any departure from the above is only considered having regard to the particular circumstances of the individual case. The position as outlined is, of course, only relevant to the extent to which the employee remains within the charge to Irish tax.