

AUTOMOBILE ALLOWANCE POLICY #210

Policy Administrator:	Executive Director or designee
Authority:	Section 89900 of the Education Code and Section 42400 of Title 5 of the California Code of Regulations
Effective Date:	07/01/11
Updated:	02/21/19 (approved 03/21/19)
Cross References:	

Policy Statement: This policy establishes the criteria for, and the administration of, employee automobile allowances.

Scope:

1. Automobile allowances shall only be provided to employees whose job duties require that they spend a significant amount of their working hours commuting between multiple locations on company business.
2. All automobile allowances shall be submitted in advance to the Executive Director for approval. The amount of each allowance shall be set by the Executive Director.
3. All employees seeking automobile allowances shall complete and sign the ASC Driving Policy and provide a copy of a valid CA driver’s license and proof of personal auto insurance. The employee shall consent to ongoing DMV monitoring of the employee’s driving record. An employee who is not qualified to participate in the ASC’s automotive insurance plan shall be ineligible for an automobile allowance. Should an employee’s eligibility to participate in the ASC automotive insurance plan be revoked or suspended, the employee’s automobile allowance will immediately be suspended.
4. Employees who receive automobile allowances will not be eligible to receive additional reimbursement for the first 12,000 business miles traveled in a calendar year. In order to receive reimbursement for excess business mileage, the employee must provide mileage log documentation verifying the employee has exceeded 12,000 business miles that year.
5. Car allowances are taxed at the current applicable tax rates and will included in the employee’s income for tax purposes.
6. Automobile allowances will not be considered as part of an employee’s compensation for salary increases or the calculation of other benefits.

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