

WORKSHEET W102

Fringe Benefit Compensation Value for Employer-provided Auto

Instructions: This worksheet can be used to calculate the amount to be included in an employee's income due to personal use of an employer-provided automobile. See Key Issue 10M.

Covered Period: _____ to _____

Company: _____

Employee: _____

Auto Description: _____ Date Acquired: _____

Annual Lease Value Method

- | | | |
|--|-------------------------|-----------|
| 1. FMV (e.g., per NADA book) as of auto acquisition date or as of January 1 (or the beginning of a special accounting period) following the end of a deemed four-year lease term | | \$ _____ |
| 2. IRS annual lease value factor for line 1 (see Table R204) | | \$ _____ |
| 3. Prorate to cover period less than 12 months (if applicable) | × | _____ % |
| 4. Annual lease value for 20____ (line 2 × line 3) | | \$ _____ |
| 5. Personal-use percentage: | | |
| a. ____/____/____ to ____/____/____ personal miles ^a | _____ | |
| b. ____/____/____ to ____/____/____ total miles ^a | _____ | |
| Ratio (5a ÷ 5b) | | × _____ % |
| 6. Annual personal-use value (line 4 × line 5) | | \$ _____ |
| 7. Plus: Additional amount for company-provided gas used personally: | | |
| a. Total personal miles per above | _____ | |
| b. Less mileage when gas paid for personally | (_____) | |
| c. Total personal miles on company-provided gas | _____ | |
| | × 5.5¢/mi. ^b | |
| d. Additional value for company-provided gas | | \$ _____ |
| 8. Total additional compensation for 20____ (line 6 + line 7d) | | \$ _____ |

Cents-per-mile Method [available *only if* FMV of vehicle is less than \$12,800 adjusted for inflation (for 2009, \$15,000 for a passenger automobile and \$15,200 for trucks or vans) when first made available to any employee]

- | | | |
|--|--|-----------|
| 1. Personal mileage (____/____/____ to ____/____/____) ^a | | |
| _____ × 55 cents per mile for 2009 (see Table R203 for the rates from 1990–2010) | | \$ _____ |
| 2. Less employee provided fuel: | | |
| _____ miles at 5.5 cents per mile ^c | | (_____) |
| 3. Standard mileage rate method additional compensation for 20____ (line 1 – line 2) | | \$ _____ |

Notes:

- a Taxpayers who do *not* adopt the special accounting period must measure mileage for the calendar year (i.e., January–December). IRS Ann. 85-113 allows employers to adopt any 12-month period that ends between October 31 and December 31. See Key Issue 10S for further discussion.
- b FMV can be used instead of 5.5 cents per mile. The 5.5 cents per mile can only be used if the fuel is provided in kind. See Table T208 for information on how to value fuel when the cost is reimbursed by or charged to an employer.
- c If any personal miles are driven outside the U.S., Canada, or Mexico and the fuel is provided by the employer in kind, or is reimbursed by or charged to the employer, the FMV of the fuel should be additional compensation. See Table T208 for additional information.

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TABLE R204: Annual Lease Value Table for Employer-provided Autos

TABLE R204: Annual Lease Value Table for Employer-provided Autos

This table can be used to value the personal use of employer-provided autos. ^a (See Key Issue 10M.) Multiply the table value by the personal-use percentage (based on allocation of personal and business miles driven) when the annual lease value method is selected by the employer to value the fringe benefit. The product of the personal-use percentage, the portion of the year the auto was provided to the employee, and the annual lease value (based on the FMV of the auto) must be included in the employee's gross income as wages subject to FICA. Employers can elect to not withhold FIT.

The auto's FMV when first provided to the employee is used to determine the annual lease value for each of the first four full calendar years of use by an employee. In the fifth full calendar year the auto is used, the FMV is redetermined and a new annual lease value is calculated, which is then used for the second four-year period.

<u>Automobile Fair Market Value</u>	<u>Annual Lease Value ^b</u>
\$0 to 999	\$600
1,000 to 1,999	850
2,000 to 2,999	1,100
3,000 to 3,999	1,350
4,000 to 4,999	1,600
5,000 to 5,999	1,850
6,000 to 6,999	2,100
7,000 to 7,999	2,350
8,000 to 8,999	2,600
9,000 to 9,999	2,850
10,000 to 10,999	3,100
11,000 to 11,999	3,350
12,000 to 12,999	3,600
13,000 to 13,999	3,850
14,000 to 14,999	4,100
15,000 to 15,999	4,350
16,000 to 16,999	4,600
17,000 to 17,999	4,850
18,000 to 18,999	5,100
19,000 to 19,999	5,350
20,000 to 20,999	5,600
21,000 to 21,999	5,850
22,000 to 22,999	6,100
23,000 to 23,999	6,350
24,000 to 24,999	6,600
25,000 to 25,999	6,850
26,000 to 27,999	7,250
28,000 to 29,999	7,750
30,000 to 31,999	8,250
32,000 to 33,999	8,750
34,000 to 35,999	9,250
36,000 to 37,999	9,750
38,000 to 39,999	10,250
40,000 to 41,999	10,750
42,000 to 43,999	11,250
44,000 to 45,999	11,750
46,000 to 47,999	12,250
48,000 to 49,999	12,750
50,000 to 51,999	13,250
52,000 to 53,999	13,750

54,000 to 55,999	14,250
56,000 to 57,999	14,750
58,000 to 59,999	15,250 ^c

Notes:

^a Table may be found in Reg. 1.61-21(d)(2)(iii).

^b Plus FMV of gas reimbursed by or charged to the employer (FMV of 5.5¢ per mile may be used).

^c For autos having a fair market value in excess of \$59,999, the Annual Lease Value is equal to (.25 × the fair market value of the automobile) + \$500.

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