

Tom Green County



San Angelo, Texas

OFFICE OF THE County Auditor

June 3, 2016

The Honorable Commissioners Court
Tom Green County, Texas

Dear Members of Commissioners Court,

We conducted a survey of all employees who drive a County vehicle to determine if any personal use of those vehicles may be considered taxable by the Internal Revenue Service (IRS). Using the guidelines in the IRS Publication 15-B, we developed a vehicle use questionnaire and sent it to all departments with County vehicles. These forms were used to help determine if the vehicles qualified as non-personal or met some other exemption in the publication. Among other items, the questionnaire asked whether the employee was law enforcement, whether the vehicle was marked or unmarked, if it was a truck that was modified, if the vehicle was taken home, commute distance, personal use mileage (if any), and information about the vehicle (make, model, license plate number). We found that almost all County vehicles met the qualifications to be exempt from taxable use, or were not used for personal mileage according to the survey. The results were as follows:

Reason for Exemption	LE	OC	QV	NTH	TOTAL
	71	6	42	15	134

LE Law Enforcement
OC On Call
QV Qualified non-personal vehicle
NTH Not taken home

We found one vehicle in the Extension office, according to the information provided on the forms, which did not qualify for an exemption, and the personal use of the vehicle would be considered taxable to the employee. We recommend using the commuting rule as the valuation method for the employee's daily commute to/from work, where the value of each one-way commute is \$1.50 (\$3.00/weekday), and that amount would be included in taxable income through payroll. If you have any questions regarding this information, please feel free to contact me.

Very cordially,



Nathan Craddock
County Auditor

Cc: The Honorable Barbara Walther, District Judge
51st Judicial District

The Honorable Dianna Spieker
Tom Green County Treasurer