



Mid-Region Council of Governments

Debbie O'Malley
Chair, Board of Directors
Councilor, City of Albuquerque

Dewey V. Cave
Executive Director

MEMBER GOVERNMENTS

City of Albuquerque
Albuquerque Public Schools
Albuquerque Metropolitan
Arroyo Flood Control
Authority
City of Belen
Bernalillo County
Town of Bernalillo
Village of Bosque Farms
Village of Corrales
Village of Cuba
Town of Edgewood
Village of Encino
Town of Estancia
Village of Jemez Springs
Village of Los Lunas
Los Lunas Schools
Village of Los Ranchos
de Albuquerque
Middle Rio Grande
Conservancy District
City of Moriarty
Town of Mountainair
Town of Peralta
City of Rio Rancho
Rio Rancho Public Schools
Sandoval County
Southern Sandoval
County Arroyo Flood
Control Authority
Village of Tijeras
Torrance County
Valencia County
Village of Willard

Date: August 1, 2011

To: Employees with Company Take-home Vehicles
From: Dewey V. Cave, Executive Director *DL*

SUBJECT: Use of company vehicles

The Mid-Region Council of Governments (MRCOG) has issued you a company vehicle because your position requires a vehicle to perform your job. According to Internal Revenue Service Publication 15-B, any personal use of a company car is considered a fringe benefit and is taxable income. MRCOG is in the process of implementing procedures to include the personal use of your company vehicle on your paystubs so that the taxes on your fringe income are withheld and remitted to the appropriate taxing authorities.

The amount that is added to your paystub depends upon how much you use the vehicle for personal use. If your use is strictly to commute, then you qualify to use what the IRS terms the "Commuting Rule". Your taxable income will be increased by \$3 per working day which totals \$747 year. Therefore, we will add \$28.73 to your taxable income each pay period. However, if your use is more than just commuting, you are not eligible to use the Commuting Rule, and your taxable income will be calculated using the "Annual Lease Value" method. The amount that is added to your taxable income depends upon the fair market value of the vehicle you use. If you determine you do not qualify for the Commuting Rule, Finance will calculate the amount that needs to be added to your taxable income.

If you wish to use the Commuting Rule, please sign the form attached and return to Finance. If you do not qualify to use the Commuting Rule, please see Finance.

Should you have any questions or need additional information, please contact Amy Myer, Finance Manager, at (505) 724-3614.

I certify that the personal use of the MRCOG vehicle is primarily to commute between work and home. Any other personal use is infrequent. I understand that the amount of fringe benefit that will be added to my taxable income to each paycheck totals \$28.73.

Employee

Date