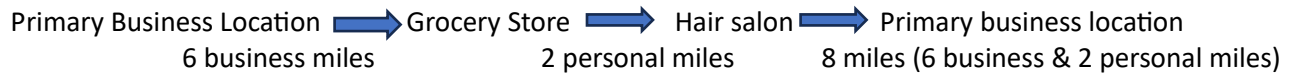


Priest is going to the grocery store for business purposes. The grocery store is 6 miles from the primary business location. While out, you decide to take your lunch and get your hair cut. The hair salon is 2 miles from the grocery store. After your hair cut, you go back to the primary business location, which is now 8 miles away.

The mileage to the grocery store and back to the primary work location is considered business mileage, but any additional mileage to and from getting a haircut is not business mileage.

Business miles would be for the 6 miles to the grocery store and another 6 miles back to the primary business location. The two miles to and from the hair salon would be personal mileage.



Keeping a Mileage Log

Required documentation for reimbursement of business mileage is REQUIRED following the IRS requirements.

For this reason, it is mandatory to maintain a thorough and accurate mileage log. Lack of proper and complete mileage records will result in non-reimbursement to the individual. Any inadequate mileage records during a review can result in a requirement to repay any reimbursement made to the individual.

A mileage log MUST include the starting mileage on your vehicle's odometer at the beginning of the calendar year as well as the ending mileage at the conclusion of the calendar year.

Each time you use your vehicle for business purposes you are required to record the following information:

- The date of your trip
- Starting odometer, Ending odometer
- Your starting point
- Your destination
- The purpose of your trip
- Tolls and or parking

Any method of recording the required information as listed above is acceptable. Records must be complete, legible, and consistent with other documentation submitted (tolls & parking).

An Excel workbook has been constructed to assist with the business mileage documentation. **This Excel workbook has an extensive set of example trips with explanations on how to calculate business mileage.** If you have a specific issue or question that is not addressed, please contact the internal audit team. Additionally, there are numerous mileage tracking apps available. The mileage apps which provide the necessary documentation requirements typically charge a monthly fee. Priests can add these fees to your reimbursement request and are refundable. Usage of these apps require information regarding the business purpose to be enter for each trip. "Business" as the purpose does not meet the IRS requirements for purpose, and therefore is unacceptable.

Here is a short list of Mileage tracking apps for your review. Using one of these tracking apps below is the simplest way to complete the required forms for reimbursement. If you use another mileage tracking app; please ensure the information it records meets the requirements.

- Driversnote - \$11 per month.
- Trip Log - \$15 per month.
- Everlance - \$8 per month.
- Track my Mileage - \$7.50 per month.

The key is to update your records regularly to ensure the records are complete and accurate. The IRS requires the record keeping being current and contemporaneous with the travel.

Mileage logs are **required** to be printed and submitted with a check request on a monthly or quarterly basis. As of September 1, 2023, all Priest business mile will be paid as a reimbursement for actual miles driven after a priest submits a business mileage log. Business mileage logs **must** be submitted, again preferably monthly, by the 15th of the following month or the 15th of December, March, June, and September for quarterly reimbursement. Mileage reimbursement requests received after are not eligible for reimbursement.

Calculating Business Mileage Rate

We will be using the standard IRS mileage rate for Priests.

Since car insurance is a benefit priests receive as part of remuneration, the first 15,000 business miles of the fiscal year are reimbursed at the rates below. Business miles over 15,000 are reimbursed at the full current IRS rate.

Car Insurance Rates per Invoice	First 15,000 Business Miles	Miles over 15,000
Priest who have completed the Defensive Driving Course \$1,620	Current IRS rate minus \$0.11 $(\$1,620 / 15,000 = \$0.11;$ $\$0.655 - 0.11) = \0.545	Current IRS Rate \$0.655
Priest who have NOT completed Defensive Driving Course \$1,800	Current IRS rate minus \$0.12 $(\$1,800 / 15,000 = \$0.12;$ $\$0.655 - 0.12) = \0.535	Current IRS Rate \$0.655

Review and Approval of Mileage Reimbursements

Priest mileage reimbursement **must** be reviewed. Parochial Vicar’s should be reviewed and approved by the Pastor or other designated individual (i.e., Parish Trustee, Finance Council member). Pastor’s mileage will be reviewed by the Vicar Forane. Approval must be documented with a signature of the approver.

NON-Reimbursable Items

Priests can NOT be reimbursed for any other vehicle operating expenses. NON-reimbursable expenses include, but not limited to gasoline; car repairs; general maintenance; oil changes; new tires; car wash; registration; and inspection fees. The IRS reimbursement rate includes a portion for all these expenses, and it also includes an amount for auto depreciation.

The IRS establishes a standard mileage rate each year. For 2023 the rate is \$0.655 per mile. An email is sent to all Priests, business managers and bookkeepers when a change to the rate occurs. It can also be found by searching “IRS mileage rate”.

If you have a specific issue or question that is not addressed, please contact the Internal Audit team.