

STATE CONTROLLER POLICY

MILEAGE REIMBURSEMENT

1) DEFINITIONS

- a. Agency** – An executive department of the State, office of the Governor or any subdivision thereof.
- b. IRS** – The Internal Revenue Service, established under the U.S. Department of the Treasury.
- c. Institution of Higher Education.** A public college, community college, or university established as a part of the State.
- d. Metropolitan Area** - The region including a city and the densely populated surrounding areas that are socially and economically integrated with it. For the State of Colorado, metropolitan area shall be defined as the 35-mile radius surrounding the Traveler's Regular Work Location, regardless of the location of the Traveler's Residence. See the attached map for the 35-mile radius for Denver.
- e. State Business** - Official State business or other duties undertaken for State purposes and for the benefit of the State.
- f. Temporary Work Location** – A location where employment is expected to last, and does last, for one year or less.
- g. Traveler** – A State employee or State official who receives required approvals to travel on State Business.
- h. Traveler's Regular Work Location** – Generally, the traveler's regular work location is the primary location where the traveler works. For purposes of assessing taxability, Traveler's Regular Work Location includes the entire metropolitan area of the traveler's regular work location. See State Controller Technical Guidance entitled "*Taxability of State Travel*" for exceptions.
- i. Traveler's Residence** – The location where the Traveler maintains his/her primary family home.

- 2) POLICY.** When a Traveler uses his/her personal vehicle while on State Business, the Traveler shall be reimbursed for an amount equal to the prevailing mileage rate established by the Colorado General Assembly, multiplied by either the allowable miles as outlined below or by the allowable miles under a mileage reimbursement policy adopted by the Traveler's Agency or Institution of Higher Education.

3) PREVAILING MILEAGE RATE.

- a. Colorado Statute** - CRS §24-9-104(2) establishes the mileage rate to be used for reimbursement of travel while on State Business.
- b. Percentage of Prevailing Internal Revenue Service (IRS) Rate** - CRS §24-9-104(d) provides that on and after January 1, 2008, State officers and employees shall be allowed a mileage reimbursement of 90% of the prevailing IRS rate per mile for each mile actually and necessarily traveled while on State Business (to the nearest cent) and, when authorized to be utilized and necessary for State Business, 95% of the prevailing IRS rate per mile (to the nearest cent) for four-wheel-drive vehicles (necessary because of road, terrain, or adverse weather conditions).
- c. Current Mileage Rate** - The current mileage rate is posted on the website of the Office of the State Controller at: <http://www.colorado.gov/dpa/dfp/sco/FiscalRules/mileage.htm>

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4) ALLOWABLE MILES

a. Actual Miles or Miles Greater than Normal Commute

- i. **Travel to a Temporary Work Location – When a personal vehicle is the usual method of commuting** - Traveler shall be reimbursed to the extent the number of miles between the Traveler's Residence and the Temporary Work Location exceeds the normal commuting miles from the Traveler's Residence to the Traveler's Regular Work Location. See Fiscal Rule 5-1 Travel, §11.2 and State Controller Technical Guidance entitled "*Taxability of State Travel Reimbursements*".
- ii. **Travel to a Temporary Work Location – When a personal vehicle is NOT the usual method of commuting** - Traveler shall be reimbursed for the number of miles between the Traveler's Residence and the Temporary Work Location. See Fiscal Rule 5-1 Travel, §11.2 and State Controller Technical Guidance entitled "*Taxability of State Travel Reimbursements*".
- iii. **Travel to conferences, meetings, training sessions, and other business-related activities –When a personal vehicle is the usual method of commuting** - For travel to these activities, when not covered by another subsection of this §4, Traveler shall be reimbursed to the extent the number of miles between the Traveler's Residence and the location of the conference, meeting, training session or other training activity exceeds the normal commuting miles from the Traveler's Residence to the Traveler's Regular Work Location. See Fiscal Rule 5-1 Travel, §11.3 and State Controller Technical Guidance entitled "*Taxability of State Travel Reimbursements*".
- iv. **Travel to conferences, meetings, training sessions, and other business-related activities –When a personal vehicle is NOT the usual method of commuting** - For travel to these activities, when not covered by another subsections of this §4 of this policy, Traveler shall be reimbursed for the actual miles traveled between the Traveler's Residence and the location of the conference, meeting, training session or other training activity. See Fiscal Rule 5-1 Travel, §11.3 and State Controller Technical Guidance entitled "*Taxability of State Travel Reimbursements*".

b. Actual Miles for Travel to and from Airport – For travel to and from the airport, a Traveler shall be reimbursed for the actual miles traveled between the Traveler's Residence and the airport.

David J. McDermott, CPA
State Controller