

CITY OF CHESAPEAKE, VIRGINIA

NUMBER: 1.18 (45.1)

ADMINISTRATIVE REGULATION

EFFECTIVE DATE: 06/16/2004

**SUBJECT: DEPARTMENT OF FINANCE
IRS \$3 PER DAY COMMUTING RULE**

SUPERCEDES: 01/01/86

I. PURPOSE

In order to comply with the IRS regulation relating to the \$3 Per Day Commuting Rule for employees who are required to drive a City vehicle to and from work.

II. OBJECTIVES

To allow a City employee with proper authorization, whose job requires the employee to travel for the City, to use a City-owned vehicle for commuting purposes. Other personal uses are strictly prohibited.

III. DEFINITIONS

1. The employee must provide the City's Department of Finance a quarterly written report with the following information:

Name	Social Security Number
Department	Make of Auto
Quarterly Reporting Period	Vehicle License Number
Number of Commuting Days	Employee Signature
2. The above information will be used to compute the proper value of the non-cash fringe benefit for the non-exempt vehicle and related deduction from employee's pay.
3. The above rule does not apply to the following vehicles:
 - a. Police and Sheriff Vehicles operated by employees having power of arrest and carrying a firearm.
 - b. Clearly marked fire vehicles.
 - c. City vehicles that are driven home by employees for stand-by purposes.