

County of Tulare — Auditor Controller
Frequently Asked Questions (FAQ) for Administrative Regulation (AR) No. 1

AR 1 is an attempt to be an Accountable Plan as defined by 26 C.F.R. Section 1.62-32 in the IRS codes. These are guidelines set by the IRS and the County is simply trying to comply so that the county, department heads or the employees are not fined for expenses that are over the allowable limits.

Keep in mind the rule is to promote the most economical means of transportation, lodging and subsistence.

1. Who should verify travel claim?
 - The department is responsible for verifying all travel claims before they are keyed into AFIN. The ultimate responsibility will be on the Department Head who signed off on the claim.
2. Must I have a copy of the events itinerary attached to my travel claim?
 - Yes - A detailed Itinerary must be attached to your claim and include the date, time, location and the items discussed.
3. Is a continental breakfast considered a meal to be deducted from my per diem?
 - No – Continental Breakfasts, water or soda are not considered a meal.
4. Are meals paid for on day trips?
 - No – IRS rules state that you must spend the night to be reimbursed for meals or risk having it become a taxable item and being added to your W-2.
5. Are business meals paid for?
 - Yes – but the following back up is required for each meeting.
 - Itemized detail receipts that includes the time and the place
 - If no itemized receipt, then employee would need to attach a statement of notation that “no alcohol was purchased”
 - The individuals involved
 - Detail of the business purpose.
6. What do I need to do if I am waiving per diem?
 - Please provide a simple memo with your travel claim with that statement. Please note IRS rules state that even if you chose not to use per diem, at no time is your total cost of meals to exceed the per diem rate, or the employee is at risk of the overages becoming a taxable event and having the overage added to the employee’s W-2.
7. Can I use per diem for some and the county credit card for other meals?
 - No, not on the same trip – you need to choose one way or the other.

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8. Do I have to deduct meals from my per diem if: I chose not to eat the meal; I arrived late and missed the meal; I left early from the conference; I was unaware the meal was provided?
- Yes
9. What gets charged to my hotel bill?
- Internet fees if used for business purposes
 - Hotel tax
 - Energy surcharges
 - Self parking
 - One phone call to family per day
10. What types of charges are not acceptable on the hotel bill?
- Following are kinds of charges that are not acceptable and include, but are not limited to:
 - Alcoholic beverages
 - Internet if for personal use
 - Any additional charges
11. How do I calculate mileage when I leave straight from home to attend a training/meeting/conference etc.?
- The IRS rules state that miles driven to a temporary work location are deductible. However, in keeping with AR-1 section B-1, miles will not be paid unless they exceed commute miles. Miles paid will be either the distance from home to the temporary work location, or the distance from work to the temporary work location, whichever is **lesser**.
 - Example 1: Employee lives in Porterville, works at the Visalia Courthouse, and attends a week conference in Los Angeles. Miles from Porterville to Los Angeles are paid.
 - Example 2: Same as #1, yet employee attends a one-day meeting in Hanford. Only miles from Visalia to Hanford are paid, since the distance is “**lesser**.”
12. How long do I have to turn in my travel claim?
- 60 days – or you risk having the full amount of the claim becoming a taxable event and the full amount being added to your W-2.
13. If I have no back up to my travel claim will it be paid?
- Most likely it will be returned to the department for backup and/or explanation.

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14. Can I pay for my travel on my personal credit card?
- In general, this should be avoided. However, if you are unable to use a County credit card for a purchase, you may use your personal credit card and then ask for reimbursement for your expenses. For example, you cannot use a County credit card to purchase airline tickets for a non-employee, so if you want to be seated with a traveling companion (such as a spouse), and thus you need to purchase both airline tickets at the same time, you **MUST** use your personal credit card and then ask for reimbursement for the cost of your ticket.

 - NOTE: If as a result of these types of transactions you accrue points/rewards or other benefits in an amount deemed by the IRS to be more than de minimus (generally, >\$100) within the calendar year, you may be required to report it as income. If so, please contact your tax advisor.
15. How many days in advance may I request a travel advance?
- Thirty days prior to the first planned day of travel, allowing a minimum of two weeks for auditor staff processing.
16. How many days do I have to submit a travel claim, if I received a travel advance?
- You have thirty days after the last day of travel for which you received an advance. If you do not submit the travel claim within the thirty days, payroll will make arrangements to withhold the entire advance.