

PERSONAL AUTO USE CALCULATION OF COMPANY AUTO Tax Year: _____

To properly complete your company's income tax return and/or to properly prepare your W-2 for the year, please complete the following:

Example

Company Name:	_____	ABC Store
Employee Name:	_____	John Smith
Make, Model & Year of Vehicle	_____	2008 Ford T Bird
Date Acquired	_____	5/15/2008

Vehicle Odeometer Reading

Ending 12/31/ _____	_____	A	12/31/2009	
Beginning of year	_____	B	600	
Total miles Driven	_____ <u>0</u>	(A-B)	17,900	
%				
Personal & Commuting	0%	C	1,700	9%
Business	0%	D	<u>16,200</u>	91%
Total	100%		<u><u>17,900</u></u>	100%

Annual Lease Value

1. Cost of Vehicle (Fair Market Value)	\$ _____	1	15,000.00
2. Annual Lease Value (From Table)	\$ _____	2	4,350.00
3. Number of Months used for business	_____	3	12.00
4. Multiply Item 2 x Item 3 Divided by 12	\$ _____	(2 x 3)	4,350.00
Personal % Above		4a	0.09
5. Multiply Item 4 x Personal %	\$ _____	(4 x 4a)	3,936.87
6. Gas (if paid by Employer) Personal miles x .055	\$ _____	C x .055	93.50
Total Item 5 plus Item 6	\$ _____		\$4,030.37

To be reported as additional compensation on the employee's W-2

Was the vehicle available for personal use during off-duty hours?	YES	NO
Is another vehicle available for personal use for by the employee?	YES	NO
Was the vehicle used primarily by a 1% owner or related person?	YES	NO
Do you have adequate records or sufficient evidence to justify business use claimed?	YES	NO
Are your records written?	YES	NO

Employee's Signature

Date

The formula using lease values must be used for all persons owning more than 1% of stock of the corporation, or when the automobile's fair market value exceeds \$15,100 for cars first made available to an employee for personal use in 2009.

Other employees may use alternative methods such as the **standard mileage rate** for personal use for 2010; or \$1.50 per commute (each way) if the vehicle is used only to commute to and from work for safety reasons. You are required to maintain an automobile log for each vehicle. Estimates are not acceptable and will result in complete disallowance of the deduction.