

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:

Company Name:	_____	Example	ABC Store
Employee Name:	_____		John Smith
Make, Model & Year of Vehicle	_____		2011 Ford T Bird
Date Acquired	_____		05/15/11

Vehicle Odeometer Reading

Ending 12/31/ _____	_____		12/31/11
End of year miles	_____	B	18,500
Beginning of year miles	_____	A	2,000
Total miles Driven	_____	(A-B)	16,500

	%			
Personal & Commuting	0%	C	4,000	24.2%
Business	0%	D	12,500	75.8%
Total	100%		16,500	100.0%

Annual Lease Value

1. Cost of Vehicle (Fair Market Value)	\$ _____	1	25,000.00
2. Annual Lease Value (From Table)	\$ _____	2	6,850.00
3. Number of Months used for business	_____	3	12.00
4. Multiply Item 2 x Item 3 Divided by 12	\$ _____	(2 x 3)	6,850.00
Personal % Above		4a	24.2%
5. Multiply Item 4 x Personal %	\$ _____	(4 x 4a)	1,660.61
6. Gas (if paid by Employer) Personal miles x .055	\$ _____	C x .055	220.00
Total Item 5 plus Item 6	\$ _____		\$1,880.61

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.

Annual Lease Value Table

Automobile Fair Market Value	Annual Lease Value
Between:	
0	600
1,000	850
2,000	1,100
3,000	1,350
4,000	1,600
5,000	1,850
6,000	2,100
7,000	2,350
8,000	2,600
9,000	2,850
10,000	3,100
11,000	3,350
12,000	3,600
13,000	3,850
14,000	4,100
15,000	4,350
16,000	4,600
17,000	4,850
18,000	5,100
19,000	5,350
20,000	5,600
21,000	5,850
22,000	6,100
23,000	6,350
24,000	6,600
25,000	6,850
26,000	7,250
28,000	7,750
30,000	8,250
32,000	8,750
34,000	9,250
36,000	9,750
38,000	10,250
40,000	10,750
42,000	11,250
44,000	11,750
46,000	12,250
48,000	12,750
50,000	13,250
52,000	13,750
54,000	14,250
56,000	14,750
58,000	15,250

For vehicles having a fair value in excess of \$59,999, the Annual Lease Value is Equal to:

25% X the Fair Market Value of the Automobile) + \$500