



division of
Finance



Finance policy: 10-18: Commute travel expenses

March 19, 2026

Why do we have a policy?



Policy in a nutshell



Policy for the majority of employees



Policy for roaming employees



Miscellaneous



Q & A

Commuter Policy update
AGENDA



Why do we need a commute policy?

Why do we have a commute policy?

- Ensure IRS compliance
- Protect the state and employees from tax penalties

The policy in a nutshell

- All employees, except for roaming employees, have an administrative office that is their principal place of business.
- An employee's home is never the principal place of business.
- **Commute trips are always taxable.**
 - All expenses incurred for commute trips are taxable.
- Employees who live within 50 miles of their administrative office can't be paid mileage for their normal daily commute.
- Agencies can determine when to pay commute expenses for other situations.

The policy in a nutshell

Why is your administrative office, not your home, considered your primary work location?

Tax requirements:

- Your home space must be used exclusively for your state work; AND
- Working from home must be for the employer's convenience.
 - Your job requires you to work from home.
 - The reason for working from home can't be because you live remotely.

Both requirements can't be met, so your home can't be your primary place of business.

Applying the policy to most employees

What is a commute?

Travel between an employee's residence and their administrative office.

When are reimbursed commute expenses taxable?

Always!

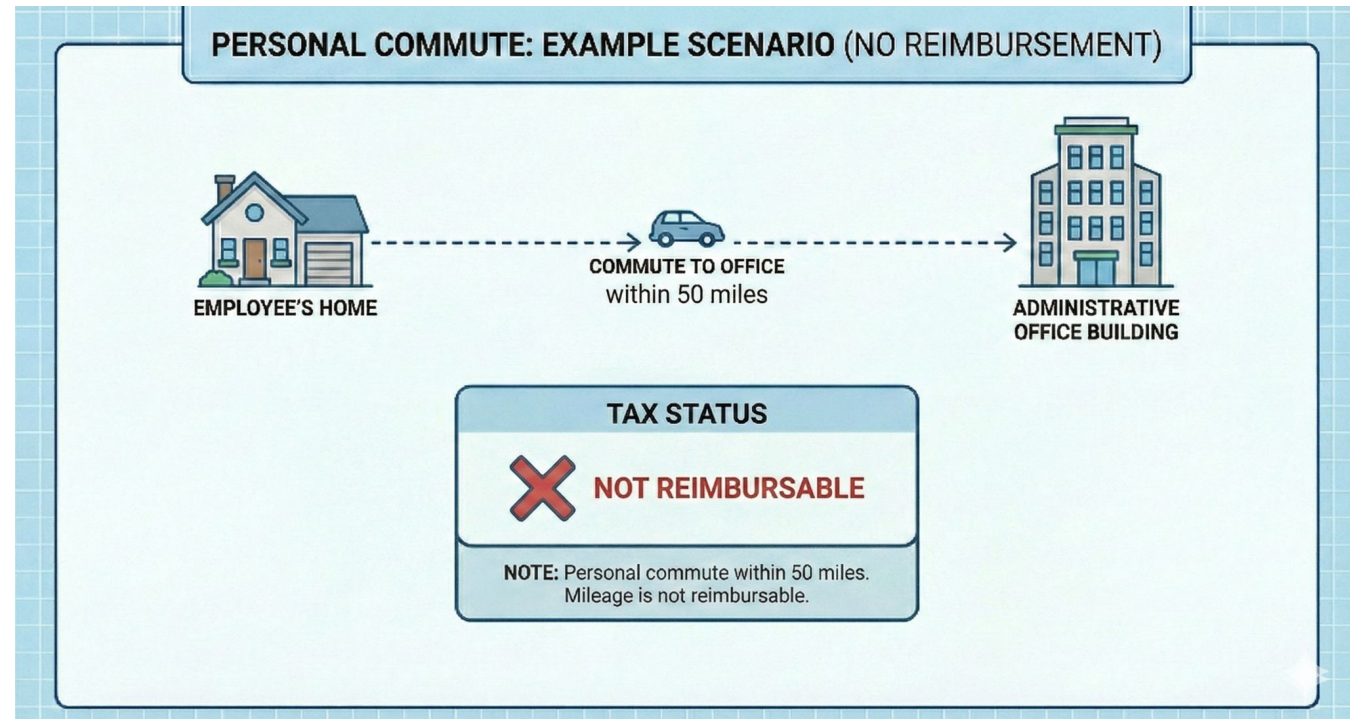
The day of the week, the time, or the number of times you commute doesn't matter. The expenses are taxable.

Example: under 50 miles

You live in Sandy and drive to your administrative office at the TSOB.

This is a commute.

You can't be reimbursed for mileage because you live within 50 miles of the administrative office.

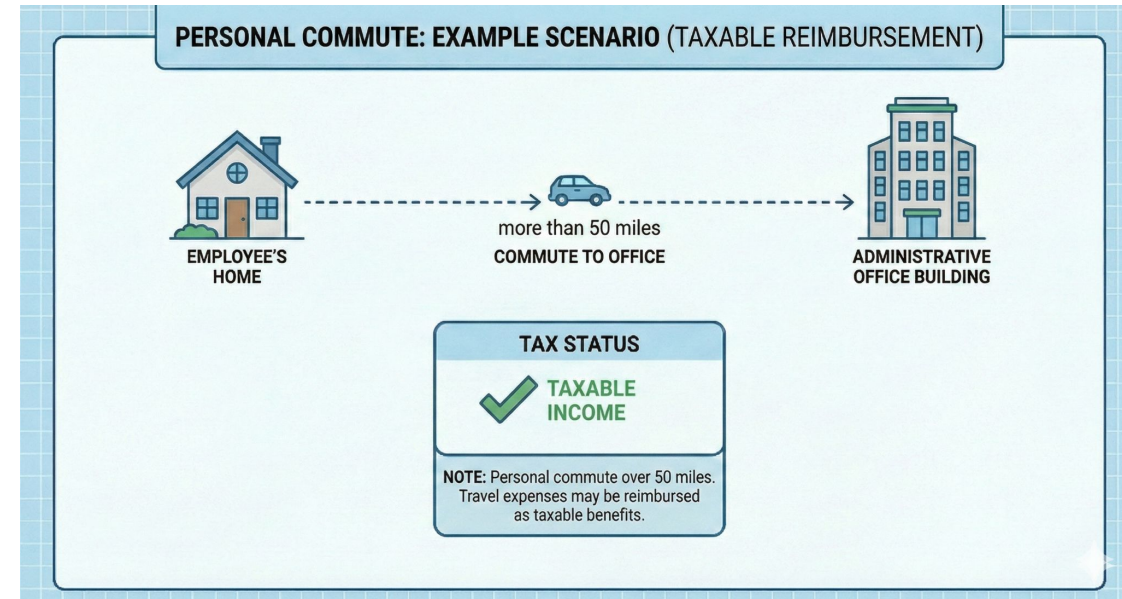


Example: over 50 miles

You live in Logan and drive to your administrative office at the TSOB. You are driving there and back on the same day.

This is a commute because you are going to your administrative office.

If your agency chooses, you can be paid **taxable** mileage because you live more than 50 miles away from your administrative office.



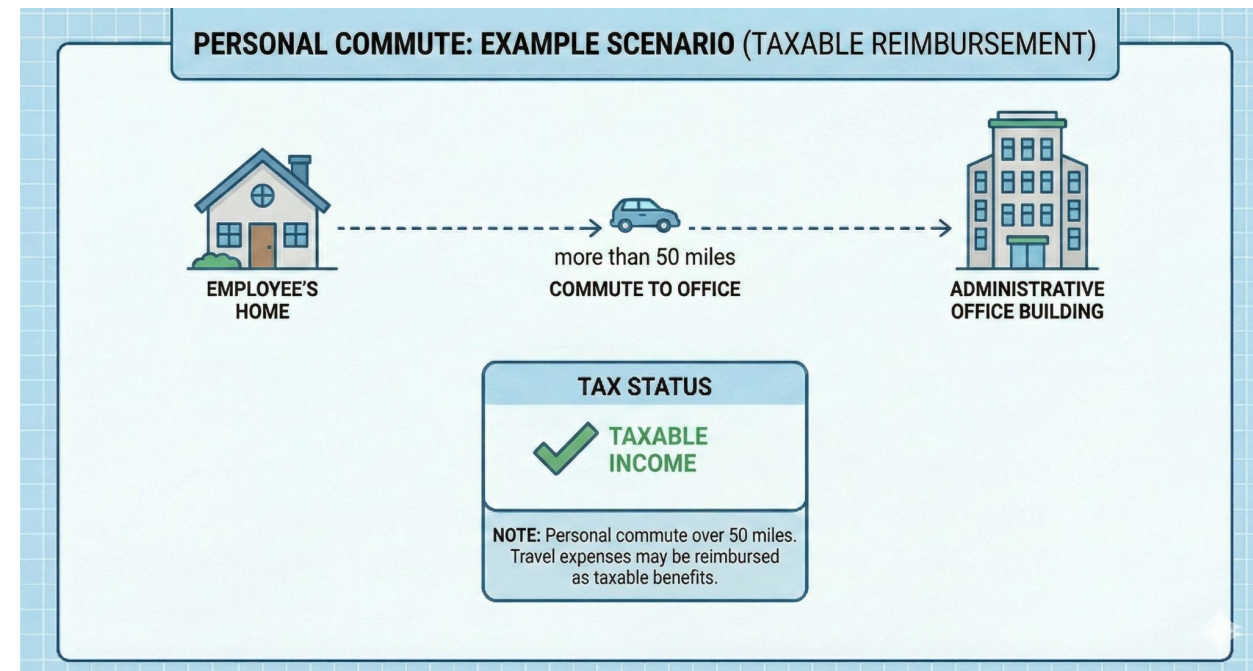
Example: over 50 miles & overnight

You live in St George and drive to your administrative office at the MASOB, which is over 50 miles from your home. You are staying overnight and returning home the next day.

This is a commute trip because you are going to your administrative office.

If your agency chooses, you can be reimbursed for related expenses like mileage, lodging, meals and incidental expenses, etc.

The reimbursement is **taxable** because the trip is a commute.



Example: going to other location passing your admin office

You live in West Jordan and your administrative office is at the TSOB. You are going to the Capitol for training and are passing by the TSOB but not stopping there.

Is this a commute?

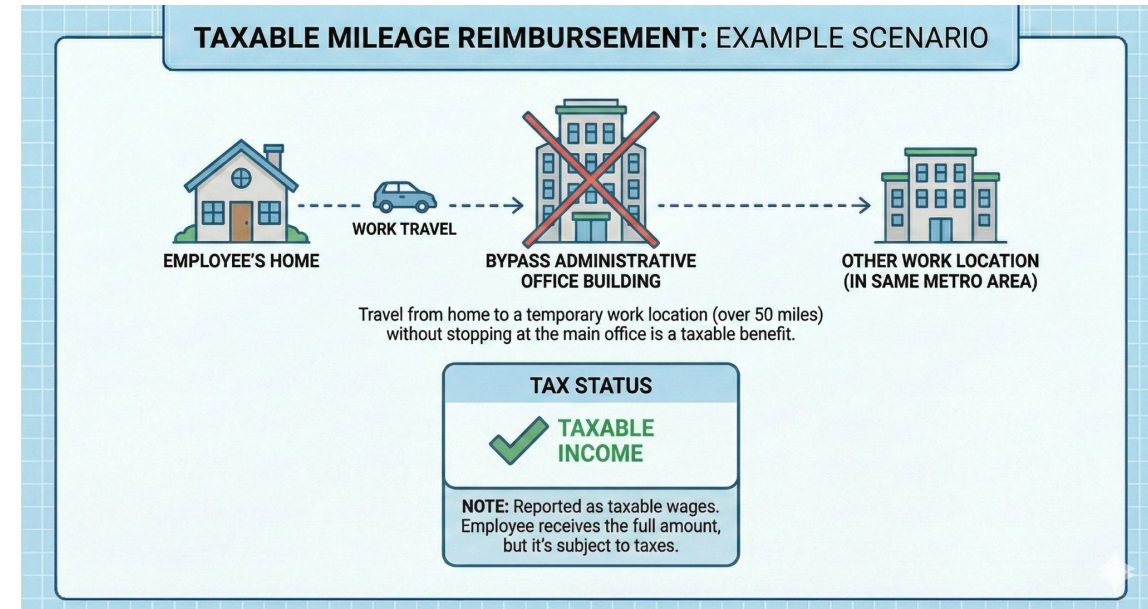
No, you aren't going to your administrative office.

Is the mileage reimbursable?

It depends on the agency's policy. Some agencies will reimburse the full mileage. Other agencies will only reimburse the mileage from the TSOB to the Capitol.

If paid, is this mileage taxable?

No, it is not a commute.



Example: going to other location in the opposite direction

You live in Murray and your administrative office is at the TSOB. You are going from your home to Orem directly for a conference.

Is this a commute?

No, you are not going to your administrative office.

Is the mileage reimbursable?

It depends on the agency's policy. Some agencies will reimburse the full mileage.

Other agencies will only reimburse the mileage in excess of your normal commute.

If they reimburse mileage, is it taxable?

No, the mileage is not for a commute.

Policy for roaming employees

What is a roaming employee?

An employee who doesn't report to their administrative office or have fixed working locations because their jobs require them to go to various temporary work locations.

What is a commute for a roaming employee?

Travel from their home to their first work location in their metropolitan area, and travel from their last work location in their metropolitan area to their home.

Metropolitan area

What is the metropolitan area?

- For the purposes of this policy, the metropolitan area is defined as the general area where they perform the majority of their daily work.
- Per IRS Publication 463, “[A] metropolitan area includes the area within the city limits and the suburbs that are considered part of that metropolitan area.”
- A roaming employee's metropolitan area is the city limits and recognized suburbs of their primary work location(s).

Commutes for roaming employees

EMPLOYEE WHO DOES NOT REGULARLY REPORT TO AN ADMINISTRATIVE OFFICE BECAUSE THEIR JOB REQUIRES THEM TO TRAVEL TO VARIOUS TEMPORARY WORK LOCATIONS

ELIGIBLE: TEMPORARY WORK LOCATIONS
(Taxable Commute)



First and last legs of travel between home and temporary locations are taxable commute.

Example: roaming employee

An employee living in Sandy doesn't regularly report to an administrative office because their job requires them to go to various work locations from their home to conduct inspections at various locations. They are considered a roaming employee.

They travel using their personal vehicle from their home in Sandy to their first inspection in Draper. **This is a commute** because it is **travel from their home to their first work location in their metropolitan area**. If the agency allows commute mileage to be reimbursed, the mileage reimbursement is **taxable**.

From Draper, they go to their second inspection in Orem. This is business travel. They are not traveling to or from their home. They are eligible for a nontaxable mileage reimbursement. From Orem, they go to South Jordan for their final inspection. This is business travel. They are eligible for a nontaxable mileage reimbursement.

From their inspection in South Jordan, they drive to their home. **This is a commute** because it is **travel from their last work location in their metropolitan area to their home**. If the agency allows commute mileage to be reimbursed, the mileage reimbursement is **taxable**.

Example: roaming employee outside of metro area

An employee living in Sandy does not regularly report to an administrative office because their job requires them to go to various work locations from their home to make repairs at various locations. They are considered a roaming employee.

They travel using their personal vehicle from their home in Sandy to their first repair site in Logan. **This is not a commute** because although it is **travel from their home to their first work location**, Logan is outside the Salt Lake metropolitan area. They are eligible for a nontaxable mileage reimbursement.

From Logan, they go to their second repair site in Salt Lake City. This is business travel. They are not traveling to or from their home. They are eligible for a nontaxable mileage reimbursement.

From their repair site in Salt Lake City, they drive to their home. **This is a commute** because it is **travel from their last work location in their metropolitan area to their home**. If the agency allows commute mileage to be reimbursed, the mileage reimbursement is **taxable**.

Misc: How to in Concur

Create Expense Report

Create From an Approved Request

Required field *

Policy *	Report Name *	Business Purpose *	32/500	Employee Identification Number (EIN) *
US Expense Policy	Declare your trip taxable or not	Taxable vs non taxable training.		198709

Agency Division	Trip Type *
	In State

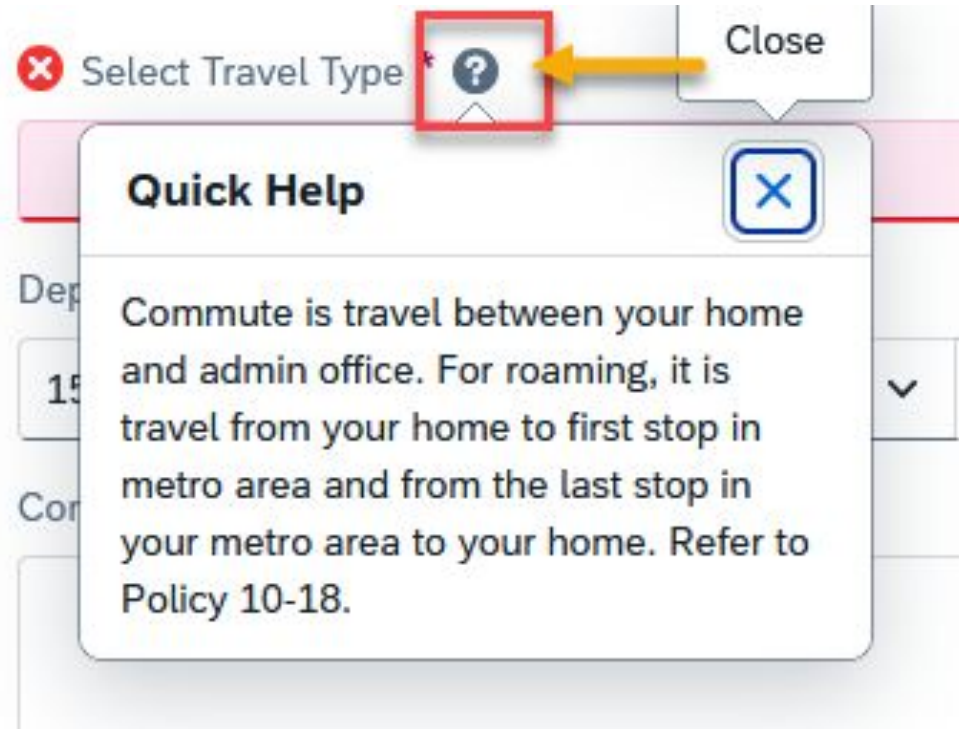
Report Date *	Trip Start Date *	Trip End Date *
03/18/2026	03/19/2026	03/21/2026

Select Travel Type * ?	Will this trip include any personal days? *	Personal Travel End Date	Report Number
<input type="text" value="Search by Text"/>	No	MM/DD/YYYY	
This field is missing required information.	Appropriation Unit *	Unit *	Accounting Template *
Commuter Travel	FJAAA	0446	FINTRAVEXP
Standard Business Travel			

0/500

Misc: How to in Concur

If the traveler doesn't know what the travel type is, they can click on the question mark. The description will pop-up with both definitions of what a commute is.



Misc: Using a rental or fleet vehicle

What if a rental or fleet vehicle is used instead of a personal vehicle when commuting?

- Rental and fleet vehicle usage is taxable.
- The value is generally \$3 per round trip commute per the IRS Commuting Rule.
 - The employee must qualify to use the Commuting Rule or the taxable amount is the cost of the rental or fleet vehicle.
- For more information regarding rental and fleet vehicle usage, see policy 23-1.

Example: Using a rental or fleet vehicle for commuting

You live in St George and drive to your administrative office at the MASOB, which is over 50 miles from your home. You are leaving on Monday and returning home on Wednesday.

This is a commute trip because you are going to your administrative office. You are driving in a fleet vehicle instead of using your personal vehicle. The car will be used for commuting and business only.

You aren't a highly compensated employee (<\$160,000).

The usage of the vehicle is taxable because you are commuting.

Based on the information given, the employee qualifies for the commuting rule. The agency must report \$9 (3*\$3) as non-cash misc income to payroll. The trips between the admin office and hotel are commutes because the whole trip is a commute trip.

Example: Using a rental or fleet vehicle for commuting

You are a roaming employee because you don't regularly report to an admin office. Your job as an inspector requires you to go to various sites throughout the day.

You have a fleet vehicle assigned to you that you keep at home for your commuting and business needs. No other personal use is allowed.

You are not a highly compensated employee.

You are qualified to use the IRS Commuting Rule to value your vehicle fringe benefits.

Your agency must add a recurring \$30 ($\3×10 days) non-cash misc fringe benefit to your paycheck.

Q & A

