



# EMPLOYEE STATEMENT OF EMPLOYER PROVIDED VEHICLE USE (Lease Value Rule to be used with the Allowable Personal Use Policy)

State Form 49631 (R3 / 6-23)

Approved by State Board of Accounts, 2017

Approved by State Comptroller, 2022

## INSTRUCTIONS FOR STATE FORM 49631

Your agency has developed a policy on the use of state vehicles based on the guidelines established by the Internal Revenue Service (IRS). Please contact the payroll clerk or designated person in your agency for a copy of the policy and instructions to be used in the preparation of this form.

If your agency's policy is "allowable personal use", then you need to select one of two fringe benefit valuation rules used in computing the fringe benefit provided to the employee. See IRS Publication 15-B: <https://www.irs.gov/publications/p15b/index.html> to determine which fringe benefit valuation rule to use below and their applicable federal requirements.

- The "Lease Value Rule" – State Form 49631.
- The "Cents-Per-Mile Rule" – State Form 49632.

If your agency's policy is "commuting use only", then you will use the "Commuting Rule" – State Form 49632.

Failure to submit State Form 49631 fifteen (15) days after the submission period end date based on the form submission frequency selected in Section 1, will result in a default taxation that considers all miles to be 100% personal usage based upon an estimate of the prior period total mileage or odometer reading.

Fill out the information noted on State Form 49631. The rates used on State Form 49631 are subject to be changed by the IRS. See IRS Publication 15-B: <https://www.irs.gov/publications/p15b/index.html>, to obtain the IRS's current rates. Additional instructions to assist with filling out the form are listed below:

### SECTION 1

- State Form 49631 can be submitted biweekly, monthly or quarterly. The form submission frequency **must be** chosen by circling or highlighting the frequency you wish to use during the calendar year.
- Once a submission frequency is selected, it cannot be changed until the next calendar year.
- The "SUBMISSION PERIOD END DATE" is the last day of the submission period the form is being submitted, based on the form submission frequency selected above.

### SECTION 2

- Document the date and the Fair Market Value (FMV) of the automobile, by recording the date and the value of the automobile on the first date it was available to any employee for personal use. If unsure contact your agency's representative for assistance.
- The State vehicle's odometer reading is as of the last day of the submission period and should agree with what was entered on the State vehicle's mileage log at the end of the submission period.

### SECTION 3

- \* Based on the amount for the "FMV of automobile" in Section 2, use the Annual Lease Value Table from the IRS Publication 15-B: <https://www.irs.gov/publications/p15b/index.html>, to determine the "Annual lease value" amount.
- \*\* Use the form submission frequency selected in Section 1 for the "Form submission frequency" used in the calculation.

### SECTION 4

- Fuel is only considered a fringe benefit to the employee per the Lease Value Rule only if the agency provided it, reimbursed the employee identified in Section 1 or it was charged to the agency. If the employee paid for all of the fuel used in the automobile noted in Section 1, then record \$0.00 in the field, "Taxable fuel". Otherwise, this section needs to be filled out and computed.
- Use the "Personal miles" recorded in Section 3 for the calculation in this section.
- \*\*\* The "Current Federal rate for personal fuel usage" can be found under the Lease Value Rule per the IRS Publication 15-B: <https://www.irs.gov/publications/p15b/index.html>.

### SECTION 5

- To determine the Lease Value Rule "Taxable fringe benefit" for the employee identified in Section 1, add the "Taxable mileage" from Section 3 and the "Taxable fuel" from Section 4.

### SECTION 6

- The employee whose name is documented in Section 1 is required to sign and date the form.
- Submit State Form 49631 to your agency payroll representative.



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SECTION 1

Select form submission frequency (*circle or highlight one*):            Biweekly or Monthly or Quarterly.

Name of Employee: \_\_\_\_\_ Agency Number: \_\_\_\_\_

PeopleSoft ID: \_\_\_\_\_ Submission Period End Date (mm/dd/yy): \_\_\_\_\_

SECTION 2

VIN: \_\_\_\_\_ Date of FMV (mm/dd/yy): \_\_\_\_\_ FMV of automobile: \$ \_\_\_\_\_

Year: \_\_\_\_\_ Make: \_\_\_\_\_ Model: \_\_\_\_\_ Odometer: \_\_\_\_\_

SECTION 3

$$\frac{\text{Business miles}}{\text{Business miles}} + \frac{\text{Personal miles}}{\text{Personal miles}} = \frac{\text{Total mileage}}{\text{Total mileage}}$$

$$\frac{\text{Personal miles}}{\text{Personal miles}} / \frac{\text{Total mileage}}{\text{Total mileage}} = \frac{\text{Personal usage \%}}{\text{Personal usage \%}} \%$$

$$\frac{\$ \text{Annual lease value}^*}{\text{Annual lease value}^*} \times \frac{\text{Personal usage \%}}{\text{Personal usage \%}} \% = \$ \frac{\text{Annual lease value for personal usage}}{\text{Annual lease value for personal usage}}$$

$$\frac{\$ \text{Annual lease value for personal usage}}{\text{Annual lease value for personal usage}} / \frac{\text{Form submission frequency}^{**}}{\text{Form submission frequency}^{**}} = \$ \frac{\text{Taxable mileage}}{\text{Taxable mileage}}$$

SECTION 4

$$\frac{\text{Personal miles}}{\text{Personal miles}} \times \frac{\$ \text{Current Federal rate for personal fuel usage}^{***}}{\text{Current Federal rate for personal fuel usage}^{***}} = \$ \frac{\text{Taxable fuel}}{\text{Taxable fuel}}$$

SECTION 5

$$\frac{\$ \text{Taxable mileage}}{\text{Taxable mileage}} + \frac{\$ \text{Taxable fuel}}{\text{Taxable fuel}} = \$ \frac{\text{Taxable fringe benefit for Lease Value Rule to be added to Pay File (C2)}}{\text{Taxable fringe benefit for Lease Value Rule to be added to Pay File (C2)}}$$

SECTION 6

I certify the above information is true and correct to the best of my knowledge. The necessary logs and documentation are being kept and will be available for inspection by my agency, State Comptroller/designee, State Board of Accounts, and the Internal Revenue Service.

Signatures:

Employee \_\_\_\_\_

Date (mm/dd/yy): \_\_\_\_\_

Agency Representative \_\_\_\_\_

Date (mm/dd/yy): \_\_\_\_\_