UNITED STATES DEPARTMENT OF AGRICULTURE
FOOD SAFETY AND INSPECTION SERVICE
WASHINGTON, DC

FSIS NOTICE	28-20	5/12/20

ANNUAL NOTICE TO HIGH-MILEAGE DRIVERS

I. PURPOSE

This notice reminds high-mileage drivers of the annual requirement to complete FSIS Form 3800-2, *Annual Notice to High-Mileage Drivers*. For Fiscal Year (FY) 21, annual high-mileage drivers are to submit the completed form to their supervisors to be forwarded to the Office of Management, Administrative Services Division (ASD), Property Management Branch (PMB) no later than July 15, 2020.

II. COMMITMENTS BY HIGH-MILEAGE DRIVERS

A. Employees who expect to drive 500 or more official reimbursable miles per month during FY 21 are to submit FSIS Form 3800-2 to their supervisors as soon as possible to indicate their commitment to drive a government-owned vehicle (GOV) or their privately owned vehicle (POV). Supervisors will forward forms to the Program Office, and the Program Office will forward all forms to PMB by July 15, 2020. Management uses this information to plan the acquisition of GOVs needed for the upcoming FY. In addition, management uses the commitments to budget mileage reimbursements for the entire FY (See FSIS Directive 3800.2, *Reimbursement for Use of Privately Owned Vehicles*). Employees make the commitment by completing an updated FSIS Form 3800-2. High-mileage drivers may change their commitment based on the conditions listed in FSIS Directive 3800.2.

B. PMB needs to receive the FSIS Form 3800-2 no later than July 15, 2020.

C. Supervisory personnel determine whether an employee is a high-mileage driver based on a forecast of the number of miles the employee will drive a GOV at government expense. Supervising offices are to make every effort to use any available GOVs within their immediate area, district, or field structures. Reimbursable miles driven are listed in FSIS Directive 2450.1 and include:

1. Official work assignment mileage,
2. Reimbursable home-to-home mileage,
3. Union officials' representational activities mileage, and
4. Attendance at work unit or district meetings and relief assignments mileage.

D. Employees who are assigned a GOV and indicate on the form that they plan to drive a GOV:

1. Will keep their GOV for FY21 and
2. Are to check the designated box in Section B1 of FSIS Form 3800-2 and enter the tag

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number of the assigned GOV in the space provided.

E. Employees driving a POV who elect to drive a GOV in FY 21:

1. Are obligated to accept and drive a GOV once obtained. If a GOV is not available, employees will continue to drive the POV at the higher mileage rate until the Agency obtains a GOV, and

2. Are to check the designated box in Section B2 of FSIS Form 3800-2.

NOTE: Effective January 1, 2020, the current mileage rate for non-high mileage POV drivers is 57.5 cents a mile. If high mileage drivers commit to operating their POV, they get 17 cents a mile. If they choose to request a GOV and a GOV is not available, they will receive the 57.5 cents a mile to operate their POV.

F. High-mileage drivers who elect to drive a POV are to check the designated box in Section B3 of FSIS Form 3800-2.

G. Mileage rates are authorized by 41 CFR 301-10.310 and are subject to change each January when the Internal Revenue Service (IRS) sets the mileage rate for the tax year, and the General Services Administration sets the POV rate.

III. CHANGE IN COMMITMENT TO DRIVE A POV

A. High-mileage drivers who made a commitment to drive a POV may change their commitment if they find that the current reimbursable rate per mile is insufficient because of fluctuating gasoline prices. Drivers may request relief from the annual commitment when:

1. An increase in the price of gasoline exceeds by 20 percent or more, the prevailing market price at the time of the original commitment, or

2. The mileage rate decreases by more than 20 percent from the time of the original commitment. Drivers requesting a change under this provision will be provided with a GOV.

B. Drivers who are seeking relief from the annual commitment are to prepare a request in writing. The request should include documents that establish the cost per gallon of fuel when they originally submitted the commitment, as well as documents that establish the cost of the fuel at the present time. Fuel receipts or reports from www.fueleconomy.gov will be acceptable. The documentation is to show the fluctuating gas prices that occurred during a 30-day period in the same geographic location that is no more than 10 miles from the first receipt provided. The fuel receipts are to be consecutive. All documents are to be submitted through the appropriate program administrative office to:

By e-mail:
propertymanagement@usda.gov

or by mail:

USDA FSIS ASD PMB
MAILDROP 5230
5601 SUNNYSIDE AVENUE
BELTSVILLE, MD 20705–5230

C. The mileage rates in 41 CFR 301-10.310 are subject to change. In the event of a mileage rate change after a driver submits FSIS Form 3800-2, the driver can resubmit the form within 60 days of the notice of the implemented change (e.g., if a driver submits FSIS Form 3800-2 to drive his or her POV or GOV, and there is a mileage rate change or a mileage threshold change, the driver can modify FSIS Form 3800-2 mid-term).

D. Drivers are to keep GOVs 12 months from the time they receive the vehicle even when that time period extends into the next FY. FSIS will reimburse any employee granted relief from the annual commitment to drive his or her POV at 57.5 cents per mile beginning the first day of the month after the driver submits the request and continuing until the GOV is obtained and delivered to the employee. Vehicles are often available within 90 days after they are requested.

IV. FEDERAL INCOME TAX IMPLICATIONS

A. The decision to use a GOV or a POV may have Federal tax consequences, as prescribed in IRS regulations (see: Employer's Tax Guide to Fringe Benefits at http://www.irs.gov/publications/p15b/).

B. There are Federal income tax implications when using a GOV if incidental to such use, the vehicle is garaged at, or near, an employee's residence.

EXCEPTION: If a trip is completely reimbursable, it is not recorded on the Time and Attendance (T&A), and, therefore, there are no tax implications associated with that specific trip. Only the trips that are coded Code 17 on a T&A have tax implications. (See FSIS Directive 3800.2, Part Two.)

1. IRS regulations state that employer-provided transportation between home and work is a taxable noncash fringe benefit. Drivers are to report each one-way commute with the sum of $1.50 as taxable income.

2. Employees are to report each one-way trip on their Time and Attendance reports so that accurate tax information can be compiled and included on the employee's Form W-2, Wage and Tax Statement.

C. Certain costs in connection with the business use of a POV are deductible expenses for Federal income tax purposes. The cost of driving between home and work is a commuting expense, not a deductible business expense.

V. QUESTIONS

Refer questions regarding this notice via e-mail at propertymanagement@fsis.usda.gov, via fax at 301-504-4231, or by mail at USDA, FSIS, ASD, Property Management Branch, 5601 Sunnyside Ave 2-L-192A, Mail Drop 5230 Beltsville, MD 20705-5230.

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