Common Taxable & Non-Taxable Fringe Benefits

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| **Fringe Benefit** | **Taxable** | **Non**  **Taxable** | **Notes** |
| Employer Provided Cell Phone for business purposes |  | X | Even personal use is not taxed as it is considered De Minimis. |
| Cell phones provided to promote goodwill or attract prospective employees | X |  |  |
| Group-term life insurance |  | X | Unless the insurance is provided to less than 10 employees |
| Employer contributions to Health Saving Accounts |  | X | Up to $3250 on single person coverage; Up to $6450 on family coverage. Amounts over these limits are taxable. |
| Lodging |  | X | If provided for the benefit of the employer |
| De Minimis Meals |  | X | These are occasional or of little value. Ie coffee, employee parties or picnics, etc… |
| Meals provided at work |  | X | If provided for the benefit of the employer |
| Meals furnished with lodging |  | X | Example: meals/reimbursement provided during a conference |
| Meals during regular business hours without lodging required | X |  | Example: meals/reimbursement provided during a one-day workshop at Region 14. |
| Moving expenses | X |  | Example: part of plan to get new Supt includes providing moving expenses. Includes any expenses during the move such as lodging and or meals provided. |
| Driving a non-personal use, school vehicle for personal travel such as traveling back and forth from work (school bus, specialized vehicles, vehicles clearly marked as safety vehicles such as security vehicles) | X |  | Unless De Minimis (occasional and short distance.) Taxable amount can be calculated using the Cents-Per-Mile or Commuting Rule. **See Note below\*** |
| Employer provided vehicles | X |  | The Fair Market Value (amount the employee would have to pay a third party to lease the same or similar vehicle in your geographic area) is used. Employee must pay taxes on that amount. |

**\*Note: Cents-Per-Mile Rule: 56.5 cents per mile driven. This rule may only be available if the Fair Market Value, the first time the vehicle was made available does not exceed $15,900 for passenger vehicles or $16,700 for a truck or van.**

**Commuting Rule: $1.50 per mile driven one way (ie home to work or work to home, but not both.) You must also establish a written policy under which the employee is not allowed to use the vehicle for personal purposes other than for commuting or de minimis personal use (personal errand on the way between work and home.)**

*Disclaimer: Information on the referenced examples was obtained from Publication 15-B, The Employer’s Tax Guide to Fringe Benefits, available at* [*www.irs.gov*](http://www.irs.gov)*. It is recommended that district’s utilize Publication 15-B for complete information, particularly when a questionable expense arises.*

## Reference:

**Publication 15-B, The Employer’s Tax Guide to Fringe Benefits. Found at:** [**http://www.irs.gov/pub/irs-pdf/p15b.pdf**](http://www.irs.gov/pub/irs-pdf/p15b.pdf)**. Last revised 12/04/2013.**