



Auditor
Charles E. Walder
Chief Fiscal Officer

DEPARTMENT: JUVENILE COURT DATE: 2/22/19

TO: Elected Officials and Department Heads
Accounting Staff
FROM: Auditor's Accounting Department

SUBJECT: PROBLEMS WITH VOUCHERS RECENTLY SUBMITTED FOR PAYMENT

The following deficiencies were found while processing your vouchers for payment. Please review the list and make note of the areas that need correction or additional information and resubmit. If deficiencies are not corrected, your vouchers will be returned to you electronically via New World for corrections prior to processing.

New World Batch Number: 2019-00000457 G/L Date: 2/21/19

- | | |
|--|---|
| <input type="checkbox"/> Department Head Signature Missing on Cover | <input type="checkbox"/> Incorrect Vendor Number(s) |
| <input type="checkbox"/> Incorrect Account Number | <input type="checkbox"/> Incorrect Encumbrance Number |
| <input type="checkbox"/> Incorrect Remittance Address | <input type="checkbox"/> Incorrect Voucher Amount |
| <input type="checkbox"/> Insufficient Cash Balance Available | <input type="checkbox"/> Incorrect G/L Date |
| <input type="checkbox"/> Batch not Approved in New World | <input type="checkbox"/> Expense Precedes Encumbrance |
| <input type="checkbox"/> Insufficient Balance Available on Encumbrance | <input type="checkbox"/> Remittance Copy Missing |
| <input type="checkbox"/> Calculator Tape of Multiple Invoices within a Single Voucher not Included | |
| <input type="checkbox"/> Signature Authorizing Payment of Invoice(s) Missing on Invoice(s) – (OK to Pay) | |
| <input type="checkbox"/> Missing Original, Detailed, and/or Itemized Receipt(s) | |
| <input checked="" type="checkbox"/> Other <u>IRS RULES DO NOT ALLOW FOR TAX-EXEMPT</u>
<u>REIMBURSEMENT FOR A COMMUTE HOME.</u> | |

Courthouse Annex, 231 Main Street, Suite 1A, Chardon, OH 44024-1293

Direct Line: (440) 279-1600

FAX: Fiscal Office (440) 279-2184 * Real Estate/Appraisal (440) 286-4359

Web site: <http://www.auditor.co.geauga.oh.us>

Email: auditor@co.geauga.oh.us

**AUDITORS CERTIFICATION OF FUNDS
O.R.C. 5705.41D**

Geauga County, Chardon, Ohio January 2, 2018
I HEREBY CERTIFY that the money required to meet the foregoing contract, agreement, or obligation in the sum of \$500.00

has been lawfully approved, authorized or directed for such purpose and is in the Treasury or in the process of collection to the credit of the fund listed next to the item below, free from any previous encumbrances.

**FRANK J. GLIHA
GEAUGA COUNTY AUDITOR**

by _____, Deputy Auditor
GEAUGA COUNTY FEDERAL I.D. NO. 34-6001208
SALES AND USED TAX EXEMPTION - POLITICAL SUBDIVISION
STATE OF OHIO

FOR AUDITORS USE ONLY	Date: _____
Then and Now Certificate: _____	
Warrant Received by: _____	
Date: _____	

SHIP TO:
GEAUGA COUNTY
PROBATE / JUVENILE COURT - JUDGE GRENDALL
231 MAIN STREET SUITE 2
CHARDON, OH 44024

WARRANT NO.	VOUCHER DATE	VOUCHER AMOUNT
	2/5/2019	32.59
P.O. DATE	ADJUSTMENT	ACCOUNT NO.
01/02/2018		
1099 AMT.		

PURCHASE ORDER NO. 2018-00001362

GEAUGA CO. BOARD OF COMMISSIONERS: SESSION _____ RESOLUTION _____ JOURNAL _____ PAGE _____ BUDGET APPROVAL - ENCUMB _____ VOUCHER _____
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VENDOR I.D. NO. 5966

PURCHASED FROM:
~~KIMBERLY LAURIE~~
C/O PROBATE / JUVENILE COURT
CHARDON, OH 44024

INVOICE TO:
GEAUGA COUNTY
PROBATE / JUVENILE COURT - JUDGE GRENDALL
231 MAIN STREET SUITE 2
CHARDON, OH 44024

Kimberly Laurie
DEPARTMENT HEAD SIGNATURE

QUANTITY	UNIT	FUND	DESCRIPTION	UNIT COST	TOTAL COST
1.0000	Each	1001	Travel Expenses, Other - Travel 1001-007-02--902.. - Travel 500.00 Dec 2018	500.0000	\$500.00
TOTAL DUE					\$500.00

RECEIVED
 FEB 07 2019
 Geauga County Auditor

When Are Transportation Expenses Deductible?

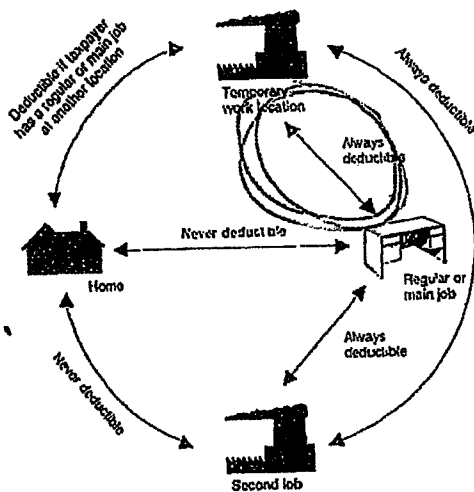
Most employees and self-employed taxpayers can use this chart. Do not use this chart if the taxpayer's home is the principal place of business.

Home. The place where a taxpayer resides. Transportation expenses between home and the main or regular place of work are personal commuting expenses.

Regular or main job. The principal place of business. If a taxpayer has more than one job, determine which one is the regular or main job. Consider the time spent at each, the activity at each, and the income earned at each.

Temporary work location. A place where the taxpayer's work assignment is realistically expected to last, and does in fact last, one year or less. Unless the taxpayer has a regular place of business, only deduct transportation expenses to a temporary work location outside the metropolitan area.

Second job. If a taxpayer regularly works at two or more places in one day, whether or not for the same employer, deduct transportation expenses of getting from one work place to another. If the taxpayer does not go directly from a first job to a second job, only deduct transportation expenses of going directly from a first job to a second job. Do not deduct transportation costs between home and a second job on a day off from the main job.



Auto Expenses

- MACRS recovery life for autos, trucks, and vans is five years. See *Vehicle Depreciation Chart*, page 10-1, for 200% declining balance, 150% declining balance, and straight line tables.
- Costs not included in standard mileage rate include interest, personal property tax, parking, and tolls.
- The standard mileage rate can be used for up to four vehicles used for business at the same time.
- Passenger autos rated at more than 8,000 pounds unloaded gross vehicle weight, or trucks and vans rated at more than 8,000 pounds loaded gross vehicle weight, are not subject to the section 280F depreciation limits.
- Sport utility vehicles (SUVs). The maximum Section 179 limit for SUVs is \$25,000. See *Limit for sport utility and certain other vehicles*, page 10-6, for more information.
- Certain vehicles are not subject to section 280F depreciation limits, including police cars, fire vehicles, ambulances, and qualified non-personal use vehicles that have been specially modified so that personal use is unlikely. See *Vehicles not subject to section 280F*, page 10-6, for more information.

Cross References

- IRS Pub. 463, *Travel, Entertainment, Gift, and Car Expenses*
- IRS Pub. 946, *How to Depreciate Property*
- IRC §274(d), *Substantiation required*

Related Topics

- Schedule C Recordkeeping and Substantiation Rules, Tab 5
- Substantiating Meals, Entertainment, Travel, and Lodging, page 8-8

Adequate Records

No deduction will be allowed for business autos or other listed property unless the taxpayer can prove the business/investment use with adequate records or sufficient evidence corroborating the taxpayer's own statements.

Required documentation. The records must support the amount, time and place, business purpose, and business relationship to the taxpayer. [IRC §274(d)]

Type of Listed Property	Documentation Suggested
Cars and trucks.....	Mileage logs
Computers and peripherals.....	Time logs
Photographic and video items.....	Time logs

Automobiles. Taxpayers using either the standard mileage rate method or the actual expense method must keep a record of total miles driven throughout the year as well as the business purpose and number of miles driven for business. One method is to use beginning and ending odometer readings.

Mileage logs. The mere existence of a mileage log is not sufficient if the entries are too generalized or not supported by other corroborating evidence.

Standard mileage rate method. In addition to the mileage records, taxpayers should keep substantiation for other deductible expenses such as auto loan interest, personal property taxes, parking fees, and tolls. See *Costs not included in the standard mileage rate*, page 10-4.

Actual expense method. In addition to mileage records, which will include the business purpose and destination, taxpayers should keep records showing the cost of the car and any improvements along with the date business use began. Substantiate expenses by keeping an exact record of the amount paid for gasoline, repairs, insurance, etc. as well as the date of the expense.

Cross References

- IRS Pub. 463, *Travel, Entertainment, Gift, and Car Expenses*
- IRS Pub. 946, *How to Depreciate Property*
- IRC §280F, *Limitation on depreciation for luxury automobiles; limitation where certain property used for personal purposes*
- Rev. Proc. 2016-23
- Rev. Rul. 94-47

Related Topics

- Meals, Entertainment, Travel, and Lodging, Tab 8
- Depreciation, Tab 9
- Employer-Provided Vehicles, Tab 13

Business Use of a Vehicle

This section discusses business deductions for use of a vehicle when the taxpayer is not traveling away from his or her tax home.



For travel expenses for trips outside a taxpayer's metropolitan area, see *Travel and Lodging*, page 8-10.

Use of a vehicle qualifies as business use under all the following.

- Getting from one workplace to another in the course of a taxpayer's business or profession when the taxpayer is traveling within the city or general area that is the taxpayer's tax home.
- Visiting clients or customers.
- Going to a business meeting away from the taxpayer's regular workplace.
- Getting from home to a temporary workplace when the taxpayer has one or more regular places of work. These temporary workplaces can be either within the area of the taxpayer's tax home or outside that area.

See *When Are Transportation Expenses Deductible?*, page 10-3, for an illustration of the above rules.

Temporary work location. Defined as a work location that is realistically expected to last, and does in fact last, for one year or less. Commuting from home to a temporary work location is deductible only if the taxpayer has one or more regular work locations, or the temporary work location is outside the taxpayer's tax home area.

Example: Tom repairs computers for a company at a regular location. On occasion, he is sent to work on computers at the customer's work location, which at times can last for several weeks. On the days he commutes to the customer's place of business, his vehicle expenses are deductible business expenses.

Two places of work. If a taxpayer works two jobs in one day, whether or not for the same employer, the expense of getting from one workplace to the other is deductible. However, if a taxpayer has a second job that is not temporary, and it is on a day off from the main job, the commuting expenses are not deductible.

No regular place of work. A taxpayer with no regular place of work but who ordinarily works in the metropolitan area where he or she lives can deduct daily transportation costs between home and a temporary work site outside that metropolitan area. Daily transportation costs between a taxpayer's home and temporary work sites within a metropolitan area are nondeductible commuting expenses. Generally, a metropolitan area includes the area within the city limits and the suburbs that are considered part of that metropolitan area.

Example: Shae is a construction worker who gets work through her local union. Most construction jobs are located within the metropolitan area where Shae lives. Each construction project lasts for two to three months. After a job is complete, Shae is unemployed until the union finds new work for her. The cost of commuting to each temporary job site within the metropolitan area is a nondeductible personal expense because Shae does not have a regular place of work. However, on the occasions where Shae is sent out of town on construction projects, the commuting expenses are deductible as business travel expenses. Also, on days where she works at more than one job location, the cost of traveling between the two work locations is deductible as a business expense. See *Union members*, next column.

Commuting. The cost of commuting from home to a taxpayer's main job is a nondeductible personal expense. This is true regardless of the distance traveled to get to work. A taxpayer cannot convert a nondeductible commute into a business expense by doing work during the commute.

Example: Dawn sometimes has hands-free cell phone conversations with suppliers and vendors while commuting to work. She also on occasion has business associates car pool with her so that she can discuss business while commuting to work. Neither of these activities converts the trip from personal to business.

Exceptions: Expenses incurred commuting between the taxpayer's residence and a place of business may be deductible if:

- The residence is the taxpayer's principal place of business,
- The taxpayer has one or more regular work locations away from the residence, or
- The temporary work locations are outside the metropolitan area where the taxpayer lives and normally works.



Court Case: The taxpayer performed construction services as an employee. He did not report to his employer's offices but rather travelled to temporary worksites within the same general metropolitan area as his residence. Each workday the taxpayer drove directly from his residence to his then-current worksite and directly home at the end of the day. The taxpayer claimed an itemized deduction for commuting between his residence and the temporary worksites. The IRS disallowed the deduction. The Tax Court agreed with the IRS noting that commuting between a taxpayer's residence and place of business are generally nondeductible personal expenses and the taxpayer had failed to show that any of the exceptions to the general rule applied. (*Saunders*, T.C. Memo 2012-200)

Parking. If the trip is deductible, the parking is deductible. If the trip is nondeductible commuting, the parking is nondeductible.

Advertising display. Putting display material on a vehicle that advertises the taxpayer's business does not change the use of the vehicle from personal to business. Business use is determined by the trip.

Car pools. If a car pool is not for profit, the cost of using the car is not deductible, and any reimbursements received are not treated as income. If the arrangement is for profit, reimbursements from passengers are income, and the cost of the commute is deductible.

Hauling tools or instruments. Hauling tools or instruments to work does not change the use of the vehicle from personal to business. However, any additional costs, such as trailer rental to haul the tools, are deductible.

Union members. If a worker gets a work assignment at a union hall and then goes to the work site, costs of getting from the union hall to the work site are nondeductible commuting expenses.

Office in the home. If an office in the home qualifies as a principal place of business, daily transportation costs between home and another work location in the same trade or business are deductible. See *Business Use of Home*, Tab 5, for business use of home rules.



Standard Mileage Rate Method

Instead of deducting actual costs, a taxpayer can use the standard mileage rate method to calculate the amount deductible for business use of a vehicle. The deduction is calculated by multiplying the number of business miles driven by the applicable standard mileage rate. The standard mileage rate eliminates the need to keep track of actual costs. See the *Standard Mileage Rate Per Mile* chart, page 10-1.

Costs included in the standard mileage rate. The standard mileage rate can be used to replace the actual cost of depreciation, lease payments, maintenance and repairs, gasoline, oil, insurance, and vehicle registration fees.

Costs not included in the standard mileage rate. In addition to deducting the standard mileage rate, the business percentage of the following costs are deductible.

- Interest expense for a self-employed individual, (but not for an employee). See *Auto Loan Interest Expense*, page 10-5.
- Personal property taxes.
- Parking fees and tolls.