



Auditor
Charles E. Walder
Chief Fiscal Officer

MEMO

TO: Elected Officials, Department Heads, Payroll Clerks

FROM: Geauga County Payroll

DATE: November 18, 2022

RE: 2022 Taxable Benefits Affidavits

Please find attached a link to the Auditor's Internal forms where you can access an electronic version of the following forms among others:

Vehicle Use Affidavit
Automobile Lease Valuation Method Affidavit
Cents Per Mile Method Affidavit
Uniform Use/Provided Meals Affidavit

<https://auditor.geauga.oh.gov/tools-forms/#group=documentlist&doc-category=year-end-reports&docspagination=0-15>

These affidavits are for the reporting of personal use of County owned listed property from **November 1, 2021 through October 31, 2022**. Per IRS regulations, personal use of county owned property is a Taxable Fringe Benefit and as such the value will be added to the employee's regular wages and taxed appropriately.

For those of you that utilized the bi-weekly taxable benefit taxation through payroll, you will be sent a report indicating the amount taxed for each employee through the Pay Date of November 4, 2022. Once you complete the affidavit, this will give an indication as to whether we have taxed the correct amount or need to make an adjustment. Again, the reporting year is November 1, 2021 through October 31, 2022 with a tax collection year of January 1, 2022 through December 31, 2022. As such, any adjustments will be made on the pay date of December 16, 2022.

VEHICLE USE – No personal use allowed: Any employee that regularly uses a County-owned vehicle for work and commuting purposes only must complete the Vehicle Use

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Affidavit. Please indicate the type of vehicle and number of commutes the vehicle was used. The IRS defines your commute as transportation between your home and your main or regular place of work. Usage will be multiplied by an IRS mandated rate of \$1.50 per one way commute (\$3.00 per round trip commute) to arrive at the taxable amount added to the employee's wages and taxed appropriately. Please note that if you go home during the day and return to work for any reason (i.e. lunch), this is an additional round trip commute. If personal use of the vehicle is allowed by the department, this form may NOT be used.

VEHICLE USE – Personal use permitted: Any employee that regularly uses a County owned vehicle for work and commuting purposes AND the department allows personal use must complete either the Cents Per Mile Method or Automobile Lease Valuation Method affidavit. IRS regulations restrict use of the Cents Per Mile affidavit in certain cases based on the usage of the vehicle and the value when placed in service. Please contact me should you have any questions as to which method to use. These forms will determine the benefit value that will be added to the employee's wages and taxed appropriately. Please note that if the Cents Per Mile Method is to be used, the employee's travel log must be attached for calculation.

UNIFORMS: Any employee that is provided a uniform that is suitable to replace every day wear must complete the Uniforms section of Uniform Use/Provided Meals Affidavit. Uniforms provided through uniform companies (i.e., Cintas) are included. Police uniforms, fire bunker gear, and safety wear (steel-toe boots, eyewear, etc.) are exempt. The value of the uniforms provided is a taxable benefit and therefore will be added to the employee's wages and taxed appropriately.

MEALS: Any employee for which the County pays for a meal while the employee is not on travel status or as an integral part of a business meeting must complete the Meals section of the Uniform Use/Provided Meals Affidavit. An overnight stay is required for the employee to be considered on Travel Status. The value of any meals paid directly by the County or reimbursed to the employee and does not meet the travel status or business meeting criteria will be added to the employee's wages and taxed appropriately.

It is the responsibility of the elected official or department head to distribute these forms to the appropriate employees and return them in a timely fashion. You may make additional copies of these forms for your use or these forms are also available on the Internal Forms page of the Auditor's Web Site. **Please return the completed and signed affidavits no later than 12:00pm on Friday, December 9, 2022.** The taxable amounts and appropriate code need to be included on your departmental payroll sheets as submitted on Monday, December 12, 2022. Cash and Non-Cash amounts will be reflected in the employee's December 16, 2022 pay and taxed for Federal, State, Medicare, City Income (if applicable), and School District Income Tax (if applicable) based on their W-4 currently on file in our office. **THIS TAXATION WILL REDUCE THE EMPLOYEE'S NET PAY.** Please note that any increase in the Employees' Share of Medicare will result in a corresponding increase in the Employer's Share. Should you have any questions, please feel free to contact gc_payroll at gc_payroll@gcauditor.com or at extension 1612 or 1628.

Thank you for your cooperation in this matter.