



ADMINISTRATION POLICY: Car Allowance

Policy number: HR-001 (B)

ALT report: N/A

Approved by: City Manager

Effective date: 2017/05/25

Next revision due: 2020/05/25

Department/BU: CFOD/Human Resources (HR Support Services Division)

BACKGROUND

The Local Travel Plan, last revised in 1988, covered car allowance, 24-hour vehicles, pool cars and specific policy on travel by employees within the city of Calgary. Various policies and procedures embedded within The Local Travel Plan are being divided into several individual but related policies.

PURPOSE

The purpose of this policy is to provide direction on car allowance when employees of The Corporation of The City of Calgary (“The City”) use their own vehicles to carry out their authorized work.

DEFINITIONS

none

INTENDED OUTCOMES OF THIS POLICY

(See Purpose)

POLICY STATEMENTS

1.0. Scope/Exceptions

1.1 Scope

This Administration policy applies to all employees using a personal car for business purposes.

1.2 Exceptions

None

2.0. Consequences of Non-Compliance

- 2.1.** Failure to adhere to this policy may result in disciplinary action, up to and including termination.

3.0. Declaration of Insurance

3.1. All employees receiving car allowance of any kind are required to have signed the *Car Allowance Application/Change* (Form X96).

3.2. The *Car Allowance Application/Change* (Form X96) requires employees to maintain an adequate level of insurance at all times (liability coverage for trips to and from work in addition to the anticipated amount of business travel) and to immediately cease using their car for City business should this coverage be discontinued for any reason or if their driver's license is revoked, suspended or expired.

4.0. Per Kilometre Reimbursement

4.1. The "per kilometre reimbursement" payment type is available to all City employees who use their personal vehicles to conduct City business.

4.2. The reimbursement per kilometre travelled is non-taxable and based on Canada Revenue Agency (CRA) published guidelines in effect at the time.

4.3. To be eligible for reimbursement, claims need to be submitted via the *Car Allowance Claim/Log* (Form X168) with full trip details and supervisory authorization.

4.4. Reimbursable per kilometre car allowance covers business travel within and outside of the city.

4.5. In town travel does not include "personal driving", which is considered to be travel between home and work.

4.6. Out of town travel includes return travel from home or work and out of town destination.

5.0. Flat Rate Perquisite

5.1. A flat car allowance under this policy is restricted to members of the Corporate Management Team as defined by the City Manager.

5.2. All flat car allowances are taxable under CRA rules.

5.3. Flat rate reimbursement covers business travel within a radius of 100 km of downtown Calgary.

5.4. Any out of town business travel can be claimed for reimbursement on a per km basis by submitting *Car Allowance Claim/Log* (Form X168). The claim will cover the entire trip less 200 km.

5.5. A defined flat rate car allowance is provided to all members of Senior Management (defined as General Managers and Directors) as part of their standard compensation offering. This standard offering may be waived and replaced with a per kilometre reimbursement car allowance at the discretion of the individual member of Senior Management.

5.6. Other members of the Corporate Management Team, who are not members of Senior Management, may be offered a “manager’s” flat rate car allowance in place of the per kilometre reimbursement car allowance as part of an individually negotiated compensation offering with the approval of the Director of the business unit.

6.0. Flat Rates

6.1. The flat rates are provided in the Total Rewards Packages on the intranet.

6.2. These rates will be reviewed as part of regular compensation reviews.

7.0. Continuation of Flat Car Allowance During Vacation, Sickness, or Leave of Absence

7.1. Flat car allowances are paid on a bi-weekly basis and will continue during a vacation period and short-term Sickness and Accident (up to 119 calendar days).

7.2. Flat car allowance payments will be discontinued during Long-Term Disability and any unpaid Leaves of Absence extending beyond 30 calendar days.

SUPPORTING REFERENCES AND RESOURCES

Please note that some of the items listed below may not be publicly available.

References to related corporate-wide procedures, forms and resources

- Car Allowance myCity intranet site
- Total Rewards Packages
- Car Allowance Application/Change* (Form X96)
- Car Allowance Claim/Log* (Form X168)
- Local Travel / Car Allowance Administration Procedures

References to related [Council policies](#), bylaws and [administration policies](#)

- 24 Hour/Special Purpose Vehicle (Administration Policy GN-005)
- Employee Parking Policy (Administration Policy GN-005 GN-031)

Other references and resources

- none

REVISION HISTORY

Review Date	Description
2017 / 05 / 25	< Minor Changes Only – City Mgr/ALT approval not required>