Mileage Reimbursement Guidelines

NMU maintains an accountable plan for reimbursing employee travel expenses. Under the Internal Revenue Service (IRS) accountable plan rules, in order for the travel expenses to be treated as reimbursements, the expenses must be considered deductible as employee business expenses, rather than personal commuting expenses.

For employees who do not have an active assignment during the summer (employees that are less than 12 months), the place of the summer appointment would be your regular place of work. For example, if an employee does not normally work in July and August and agrees to work in Iron Mountain, then their main work location for the summer is Iron Mountain.

Home is defined by the IRS as “where” you reside. Transportation expenses between your home and your main/regular place of work are personal commuting expenses and not reimbursable. However, mileage can be reimbursed from an employee’s home to a temporary work location.

Example A – Campus is your main place of employment:
An employee lives in Munising and works on a regular basis on campus in Marquette. If the employee is asked to attend a meeting in Lansing, the employee can claim mileage from their home in Munising to Lansing and the return trip to their home. The same rule would apply if a person lived in Ishpeming. When asked to attend a meeting in Lansing, the employee can claim mileage from their home in Ishpeming to Lansing and the return trip to their home.

Example B – Campus in not your main place of employment:
An employee lives in Ishpeming and is hired to work in Houghton teaching off campus courses. Once a month they are asked to attend a meeting on campus in Marquette. Houghton would be considered the employee’s main work location and transportation between Ishpeming and Houghton (home to main work location) is a personal expense and not reimbursable. On the day the employee is asked to come to campus (temporary work location), the employee can claim mileage from their home to campus and the return trip to their home. Should the employee leave campus and then travel to Houghton to perform their regular duties, the employee can claim mileage from their temporary work location (campus) to their regular job (Houghton). The return trip from Houghton to campus would not be reimbursable. Under IRS regulations distances between your home and your regular job are never deductible and therefore cannot be included in mileage reimbursements.
When Are Transportation Expenses Deductible?

Most employees and self-employed persons can use this chart. (Do not use this chart if your home is your principal place of business. See Office in the home.)

**Home:** The place where you reside. Transportation expenses between your home and your main or regular place of work are personal commuting expenses.

**Regular or main job:** Your principal place of business. If you have more than one job, you must determine which one is your regular or main job. Consider the time you spend at each, the activity you have at each, and the income you earn at each.

**Temporary work location:** A place where your work assignment is realistically expected to last (and does in fact last) one year or less. Unless you have a regular place of business, you can only deduct your transportation expenses to a temporary work location outside your metropolitan area.

**Second job:** If you regularly work at two or more places in one day, whether or not for the same employer, you can deduct your transportation expenses of getting from one workplace to another. You cannot deduct your transportation costs between your home and a second job on a day off from your main job.