Global Template Configuration

United States

Last Updated: December 2018
## Revision History

<table>
<thead>
<tr>
<th>Date</th>
<th>Revision Notes / Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-Dec-2018</td>
<td>Update to Personal Car Mileage Rate for 2019</td>
</tr>
<tr>
<td>01-Dec-2017</td>
<td>Update to Personal Car Mileage Rate for 2018</td>
</tr>
<tr>
<td>01-Dec-2016</td>
<td>Update to Personal Car Mileage Rate for 2017</td>
</tr>
<tr>
<td>01-Feb-2016</td>
<td>Update to Personal Car Mileage Rate for 2016</td>
</tr>
</tbody>
</table>
Disclaimer

The Concur Global Template consists of Expense configurations designed to support the most commonly known configuration and statutory requirements for supporting T&E best practices. The system includes support for specific statutory requirements based on our understanding of “common interpretation” gathered from our experience of in-country legislation through the deployment of Concur into this market. The Country Template represented in this guide is intended to provide customers with a starting point to aid in the deployment of their T&E solution, and should in no way be construed as tax or compliance advice for your business. The template configuration may need to be adjusted to match the requirements of your business, and any legal or statutory requirements should be confirmed with your company’s tax accounting and/or compliance departments before being authorized for configuration into your Concur Expense system.

Updates

Rates and/or regulatory requirements provided as part of the Templates are not guaranteed to be up to date, so any information provided should always be verified by the customer against the current government regulations. Updates are applied through on-going partnership with in-country Concur product marketing teams, liaison with implementing customers, and through collaboration across the various Concur implementation teams deploying in these countries.

The timing of updates can vary by country and feature. For example, certain countries provide regular annual updates to statutory travel allowance and mileage rates, while the rates in other countries are less frequently updated. VAT rate updates are typically less frequent or predictable and can occur at any time and are quite often dependent on broader economic situations. Tax authorities do however typically provide advanced warning where VAT rate or rule changes come into effect to allow businesses time to prepare.

Every effort is made to ensure that where updates are known to Concur that these are applied to the latest version of the template in a timely fashion. Where updates have been applied these will be reflected in any available template documentation.
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Mileage Rates

Personal Car Mileage

This will be pre-configured and maintained by Service Admin where this service has been purchased by the customer.

Generally the employer reimburses the employee if the employee’s car is used for a business trip based on mileage allowances. The current rate in the United States for 2019 is $0.58 per mile regardless of vehicle type.

Company Car Mileage

It is rare to find an organization in the United States that actually reimburses users for mileage on a company owned vehicle. Instead Company Car Mileage is mostly used in the United States when either reimbursement to the company is required for personal mileage driven on a company vehicle or the organization wishes to track miles driven on a company vehicle yet not reimburse the user for that mileage. In either case use of Company Car mileage is rare and is therefore not included as part of the template.

In the case where only mileage driven is to be tracked a Company Car - Distance/No Reimbursement configuration should be used. Where personal mileage is to be reimbursed to the organization a Company Car - Variable Rates configuration is used and the company mileage rate is entered as $0.00 while the personal mileage rate needs to be provided by the organization (generally as a negative). Any reports necessary to comply with government regulations are out-of-scope of the implementation and are the responsibility of the organization.
Reporting & Legislative

Hotel Expenses

In the United States the Internal Revenue Service requires that all hotel bills be itemized because only a subset of expenses are tax-deductible. Lodging, meals, and even items like dry cleaning are deductible however expenses like gym facilities, watching paid movies, or playing games are not.

Documentary evidence ordinarily will be considered adequate if it shows:
- Business purpose for the expense
- Cost of each separate expense such as lodging, meals, and telephone calls.
- The dates stayed there
- Destination or area of hotel (name of city, town, or other designation)

As the template is configured to force hotel itemization and gather this information it is strongly recommended not to turn this feature off.

Meals and Entertainment

Entertainment includes any activity generally considered to provide entertainment, amusement or recreation. Examples include:
- Entertaining guests at nightclubs
- Entertaining guests at social, athletic, and sporting clubs
- Entertaining guests at theaters
- Entertaining guests at sporting events or on hunting, fishing, vacation and similar trips.

Business meals as a form of entertainment

Entertainment includes the cost of a meal provided to a customer or client, whether the meal is a part of other entertainment or by itself. A meal expense includes the cost of food, beverages, taxes and tips for the meal. To deduct an entertainment-related meal, the employee must be present when the food or beverages are provided.

Documentary evidence ordinarily will be considered adequate if it shows:
- Business purpose for the expense
- The date of the expense
- The amount of the expense
- The name of the venue where the event took place (vendor)
- The place where the event took place (city, town, or other designation)
- The identities of the persons who took part in the entertainment activity (occupations or other information such as names, titles, or other designations about the recipients that shows their business relationship to the organization. The employee is also required to be listed as an attendee.)
The template is configured to gather this information on Business Meals and Entertainment. It is strongly recommended not to change which entry forms are assigned to these expense types.
Travel Allowance

USGSA - Overview

In the United States the GSA establishes the per diem rates for the lower 48 continental United States (CONUS), which are the maximum allowances that are reimbursed for expenses incurred while on travel for US Government business.

The CONUS per diem rate for an area is actually three allowances: the lodging allowance, the meals allowance and the incidental expense allowance. Most of the CONUS (approximately 2600 counties within the Continental US) are covered by the standard CONUS per diem rate of $123 USD ($77 lodging, $46 meals and incidental expenses). In fiscal year (FY) 2013, there continue to be about 400 Non-Standard Areas (NSAs) that have per diem rates higher than the standard CONUS rate.

The Per Diem rates for non-foreign, non-contiguous U.S. areas are established by the Department of Defense Per Diem, Travel and Transportation Allowance Committee (PDTATAC). PDTATAC establishes Per Diem rates for Alaska, Hawaii, Puerto Rico, American Samoa, Guam, Midway, the Northern Mariana Islands, the U.S. Virgin Islands, Wake Island and other non-foreign areas outside the continental United States. Foreign Per Diem rates are established monthly by the U.S. Department of State Office of Allowances. Combined these per diem rates are known as OCONUS rates. In both areas rates are established as maximum U.S. dollar rates for reimbursement of expenses incurred while on travel for US Government business.

The most common method of USGSA reimbursement is fixed allowances for meals and reimbursable with no limit for lodging (actual hotel receipts reimbursed with amounts exceeding the per diem rate optionally posting to a separate GL account).

The template does not include USGSA as this service requires a separate service agreement. If purchased you will need to have your TC load both the CONUS and OCONUS tables and the USGSA TA configuration for you. After these are loaded you will need to configure the USGSA Configuration Set and the USGSA Employee-Related Configuration in order to activate the service.

**NOTE:** When a client purchases USGSA they are not just purchasing U.S. per diem rate-they are purchasing the auto-update rate service for whenever the CONUS and OCONUS tables change. As such clients cannot change rates so do not grant them access to do so. Also USGSA and CustomTA require separate service agreements. Purchasing one does not automatically give a client access to the other.
USGSA Allowance Rules Overview

The following is a brief overview of the core rules and calculations provided as part of the standard USGSA travel allowance solution. NOTE: Values in this calculation that are based on values set in a system calculation property are followed by the property name in brackets:

Meals

- The calculation is based on the date, rate location, overnight indicator, and provided meals. A meals allowance is calculated for each calendar date of the trip.

- If several locations were visited during the same day, the last location visited that day determines the travel allowance rate. This is based on the traveler’s location at 11:59 P.M.

- The day of return travel is assigned the travel allowance rate of the last location visited on that date.

- The system starts with the base rate for the date and rate location. That amount is then adjusted according to the following conditions:
  
  ▪ Partial day trip: If the total trip totals less than 12 hours [trip_duration_min_hours], the amount becomes zero.
  
  ▪ Trip more than 12 hours but less than 24 hours on the same date: The system multiplies the base rate by 75% [first_day_percent] to obtain the travel allowance amount.
  
  ▪ First/Last day: For the first or last day of travel of a trip that spanned more than one date, the system multiplies the base rate by 75% [first_day_percent or last_day_percent] to obtain the travel allowance amount.
  
  ▪ Provided meals: The system subtracts the amount of each provided meal.

Lodging

- The calculation is based on the date and rate location. The trip is eligible for lodging for each day of the trip except the last day, when the employee is presumed to return home.
Custom Travel Allowance

Custom TA requires a separate service agreement. Clients who purchase Custom TA may use it for Meals, Lodging, Incidental or any combination. The same three methods are available for how these expenses are reimbursed: Fixed, Reimbursable with limit and Reimbursable with no limit. Meals and Lodging may have different reimbursement methods however any one configuration may only have one Reimbursement Method for Meals and one Reimbursement Method for Lodging. With Custom TA the client must provide complete details on rates and reimbursement methods. Clients also need to supply the Allowance Rules in order for the calculations to function.

For details refer to the Expense: Travel Allowance Setup Guide.