

1 SB190
2 173623-1
3 By Senators Orr and Pittman
4 RFD: Finance and Taxation General Fund
5 First Read: 09-FEB-16

2
3
4
5
6
7
8 SYNOPSIS: Under existing law, state officials and
9 employees traveling on official business in
10 privately owned vehicles are reimbursed for mileage
11 at the rate allowed by the Internal Revenue Code
12 for income tax deduction purposes.

13 This bill would change the mileage
14 reimbursement to a formula using the American
15 Automobile Association Daily Fuel Gauge Report.

16
17 A BILL
18 TO BE ENTITLED
19 AN ACT

20
21 Relating to travel expenses for official state
22 business; to amend Section 36-7-22 of the Code of Alabama
23 1975, by setting the mileage rate for state officials and
24 employees traveling in privately owned vehicles according to a
25 formula using the American Automobile Association Daily Fuel
26 Gauge Report.

27 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1 Section 1. Section 36-7-22 of the Code of Alabama
2 1975, is amended to read as follows:

3 "§36-7-22.

4 Persons traveling on official business for the state
5 or any of its Legislative, Executive, and Judicial Branches,
6 departments, institutions, boards, bureaus, commissions,
7 councils, committees, or other like agencies in privately
8 owned vehicles shall receive an amount ~~equal to the mileage~~
9 ~~rate allowed by the Internal Revenue Code for income tax~~
10 ~~deductions per mile~~ adjusted based on the American Automobile
11 Association (AAA) Daily Fuel Gauge Report for Alabama for
12 regular grade gasoline in lieu of actual expenses for
13 transportation. The rate shall be adjusted on January 1, April
14 1, July 1, and October 1 each calendar year based on the
15 average retail price of regular grade gasoline for the week
16 beginning on the second Sunday of the prior month as follows:

17 a. If the fuel cost is between one (1) cent and one
18 dollar forty-nine and nine-tenths cents (\$1.499), the employee
19 shall be reimbursed thirty-six (36) cents per mile;

20 b. If the fuel cost is between one dollar fifty
21 cents (\$1.50) and one dollar sixty-nine and nine-tenths cents
22 (\$1.699), the employee shall be reimbursed thirty-seven (37)
23 cents per mile;

24 c. If the fuel cost is between one dollar seventy
25 cents (\$1.70) and one dollar eighty-nine and nine-tenths cents
26 (\$1.899), the employee shall be reimbursed thirty-eight (38)
27 cents per mile;

1 d. If the fuel cost is between one dollar ninety
2 cents (\$1.90) and two dollars nine and nine-tenths cents
3 (\$2.099), the employee shall be reimbursed thirty-nine (39)
4 cents per mile;

5 e. If the fuel cost is between two dollars ten cents
6 (\$2.10) and two dollars twenty-nine and nine-tenths cents
7 (\$2.299), the employee shall be reimbursed forty (40) cents
8 per mile; or

9 f. If the fuel cost is greater than two dollars
10 twenty-nine and nine-tenths cents (\$2.299), the amount the
11 employee is reimbursed shall increase one (1) cent for every
12 twenty (20) cent increase in the rate.

13 Reimbursement shall be made no later than 30
14 calendar days from the date the request for reimbursement is
15 initially received by the appropriate authority. For purposes
16 of this section, travel, excluding members of the Legislature,
17 means a departure from the permanent place of employment.

18 Section 2. This act shall become effective October
19 1, 2016 following its passage and approval by the Governor or
20 otherwise becoming law.