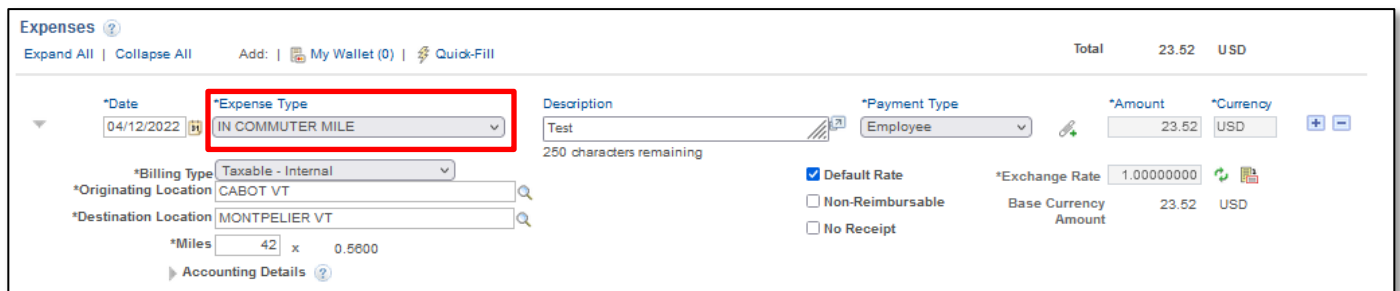


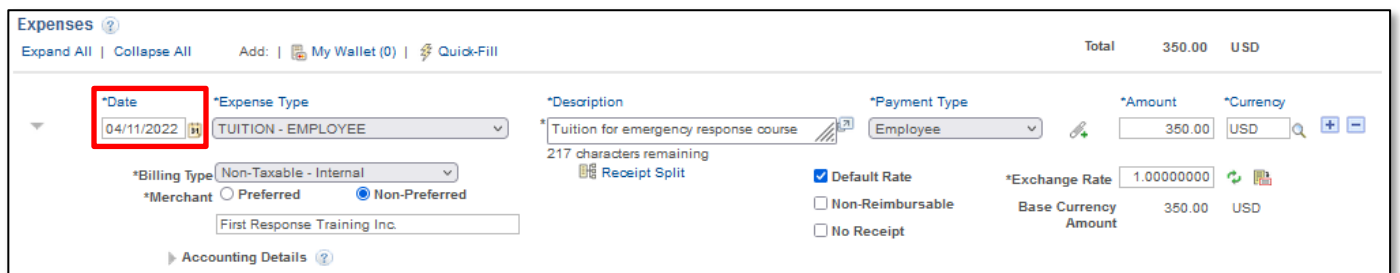
The following steps will help you avoid being taxed for expense reimbursements in error:

- 1. Late Filing** - Expense reports submitted more than 60 days after the date the expense was incurred are taxable per IRS regulations. We recommend that all expense reimbursement claims are submitted within 20 days of the expense.
- 2. Commuting Mileage** - Commuter mileage is taxable. Select the appropriate expense type from the drop-down menu. Do not select a standard mileage type and change the Billing Type to Taxable-Internal.



The screenshot shows the Vermont Expense Report form. The "Expense Type" dropdown menu is highlighted with a red box and set to "IN COMMUTER MILE". Other fields include: Date (04/12/2022), Description (Test), Payment Type (Employee), Amount (23.52), Currency (USD), Billing Type (Taxable - Internal), Originating Location (CABOT VT), Destination Location (MONTPELIER VT), and Miles (42 x 0.5600). The total amount is 23.52 USD.

- 3. Tuition Expenses** - Use the date you receive the official notification (e.g., transcript) of the successful completion of the coursework as the Expense date on the expense report.



The screenshot shows the Vermont Expense Report form. The "Date" field is highlighted with a red box and set to "04/11/2022". The "Expense Type" dropdown menu is set to "TUITION - EMPLOYEE". Other fields include: Description (Tuition for emergency response course), Payment Type (Employee), Amount (350.00), Currency (USD), Billing Type (Non-Taxable - Internal), Merchant (First Response Training Inc.), and Exchange Rate (1.00000000). The total amount is 350.00 USD.

- 4. Billing Type** - Do not adjust the Billing Type field to Taxable-Internal when getting reimbursed for an expense that taxes were charged on (sales, room & meals, etc.) These taxes are not related to the issue of whether you should be taxed or not.
- 5. Using the Copy Function** - Be careful when using the Copy Expense Lines function. If you copy a line that is set to Taxable-Internal, the new line will be taxable unless you manually change the Billing Type back to Non-Taxable-Internal.