

## Domicile Vehicle Policy- A&F Administrative Bulletin #10

This bulletin supersedes Executive Office for Administration and Finance (A&F) Administrative Bulletin #10, previously issued on July 1, 2016. All state agencies in the Executive Department under the jurisdiction of an Executive Office established under M.G.L. c. 6A, § 2 must comply with the provisions of this bulletin.

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### Purpose and Scope

Effective December 13, 2016, all state agencies must comply with the following updated policy, in order to ensure the efficient and appropriate use of domicile vehicle assignments.

### Domicile Vehicle Guidelines

#### *Domicile Vehicle Requests*

In limited situations, an employee may be authorized to take a state vehicle home at the end of business hours on a regular basis. Under most circumstances, employees will complete an Office of Vehicle Management Overnight Request form approved by the Agency Head negating the need for a domicile assignment.

In order to be eligible for domicile assignments, the employee must demonstrate either of the following:

A. Emergency responder requiring special vehicle and/or equipment

This requires a showing that the employee meets **all** criteria below:

- serves as a first line responder (employee is among those responsible for going immediately to provide assistance) to emergencies (an unexpected situation that calls for immediate response or action of which the employee does not have advance notice)
- is required to be available on a 24 hours/7 days a week basis during designated times
- requires use of a special purpose vehicle or special equipment that is part of or kept in a state vehicle that may not be suitable for storage in the employee's residence or transported in a personal vehicle
- provides examples of at least twelve off-duty emergencies without advance notice responded to in the previous calendar year

#### Exceptions to Emergency Responder Request:

In the event that an employee meets all criteria for emergency responders listed above, except for the ability to list 12 emergencies from the previous year, the employee may request an exception due to the potential for emergency responses required for public safety reasons. Exceptions to these guidelines will be reviewed on an individual basis. If such an exception is granted, it is subject to the same annual review process described below as other domicile assignments.

B. Employee does not regularly report to a designated office and a domicile assignment increases efficiency

This requires a showing that the employee must meet **all** the criteria below:

- the employee lives outside a 22 mile radius of agency's office
- the employee does not regularly report to a designated office as part of his or her regular duties
- domicile assignment would greatly increase efficiency of employee's work duties

*Approval Process*

The process for annual domicile approval is as follows:

- A. Employee must demonstrate his or her need for domicile assignment by completing and signing the Domicile Vehicle Request Form.
- B. Employee obtains approval from his or her Manager, who, in turn, provides the Domicile Vehicle Request Form to the Agency Head and Cabinet Secretary.
- C. If the Cabinet Secretary approves the request, he or she provides the completed and signed Domicile Vehicle Request Form for each employee requesting domicile assignment to the Office of Vehicle Management (OVM) Fleet Administrator within the Operational Services Division (OSD).
- D. OVM Fleet Administrator provides signed forms to the Secretary of A&F.
- E. The OVM Fleet Administrator will provide notification to secretariats and agencies of A&F determinations.

Requests for domicile assignments will be approved on a calendar year basis by A&F and reviewed on a bi-annual basis by the OVM. OVM will do at least one audit per year of domicile vehicle usage and may perform more as necessary.

Domicile Vehicle Request Forms are due by the last business day in November to the OVM Fleet Administrator in order to have approval beginning on the first day of the following calendar year.

A&F reserves the right to deny domicile assignments if the employee fails to establish a reasonable need for such assignments. In extraordinary cases requiring a new domicile assignment or a change to an existing domicile assignment during the calendar year, Cabinet Secretaries may approve and submit Domicile Vehicle Request Forms to the OVM Administrator at the time such need arises. For instance, should a new employee hired during the year need a domicile vehicle assignment, he or she should fill out the Domicile Vehicle Request Form and go through the same process outlined above. New employees are not required to provide examples from the previous year. In the event a new employee is hired for a role where the previous employee in that role had a domicile vehicle, the new employee must submit a new form for domicile assignment. Until such time as a formal approval for domicile is granted that employee may not use the vehicle for domicile purposes. The employee may take a vehicle home after hours if the Agency Head approves an Overnight Vehicle Request form until a final decision on the domicile request is made.

*Domicile Vehicle Request Form*

Domicile Vehicle Request Form supersedes all forms used prior to July 1, 2016, including any required letters or acknowledgement forms.

### *Compliance with OVM Policies and Procedures*

Before requesting domicile approval, employees must meet all other guidelines for state vehicles outlined in the OVM Policies and Procedures.

This includes:

- mileage requirements for state vehicle use or the appropriate waiver
- fuel efficiency standards
- compliance with audit procedures
- policies regarding lights, sirens and other equipment
- any other policies contained in OVM Policy and Procedures not listed here

Employees with domicile assignments must use state vehicles for conducting state business only and not for personal use.

***The availability of a domiciled state vehicle as a component of an employee's compensation package is not under any circumstances an acceptable reason for domicile assignments.***

### *Required Fringe Benefit for Tax Reporting of Domicile Assignments*

Federal and State Law require employers, including the Commonwealth, to include "Fringe Benefit Income" on annual W-2 forms submitted to the Internal Revenue Service (IRS) and Department of Revenue (DOR) for each employee. Such fringe benefit income includes an employee's use of an employer-provided vehicle for business purposes which is also used for personal commuting. The primary provisions are found in Federal Payroll Tax Law and Regulations, United States Code, Title 26 Internal Revenue Code, Code 61 Reg. 1.61-21(f)(3).

Each year OVM will issue specific guidance to fleet managers and payroll directors on this subject. A&F recognizes that the IRS rules on this subject are complex and that this bulletin can only offer general guidance.

### **Forms and Links**

The Domicile Vehicle Request Form can be found here:

<http://www.mass.gov/anf/docs/anf/administrative-bulletins/domicile-vehicle-form.pdf>

For more information on state vehicle polices, visit the OVM website here:

<http://www.mass.gov/anf/budget-taxes-and-procurement/oversight-agencies/osd/office-of-vehicle-management.html>

### **A&F Secretary Approval and Effective Date**

This Administrative Bulletin published by the Executive Office for Administration and Finance shall be effective as of December 13, 2016.

Kristen Lepore, Secretary

Effective Date December 13, 2016