

Financial Guideline 2018/2019 – 24

Voluntary Secondary Schools

Travel and Subsistence Expenses for Members of Board of Management, School Principal and School Personnel

1. Introduction

Below is best practice to ensure that the school is in compliance with Revenue for payments made by the school for travel and subsistence. Travel and subsistence allowances may be paid to members of the board of management, Principal, Deputy Principal, teaching and non-teaching staff for necessary travel required to carry out school business.

- The board of management should decide on the types and categories of school business for which expenses may be paid. It is also the duty of the Principal and board of management to ensure that only essential travel is undertaken thereby keeping such expenditure to a minimum.
- The Civil Service travel rates are the maximum rates which may be paid without incurring a tax liability. (**Appendix 1**). The board of management is free to set travel rates at any rate equal to or below these levels.
- The financial year for the purpose of calculating kilometric travel rates is the calendar year.
- **It is not appropriate for members of the board of management, Principal, Deputy Principal, teaching and non-teaching staff to claim un-vouched or round sum expenses.** All subsistence payments should only be made on the basis of vouched expenditure on meals and necessary accommodation on submission of receipts to the Principal or, in the case of a Principal, to the chairperson of the board.
- Travel and subsistence claims should be submitted as soon as possible and in any event within one month of the relevant journey. All claims should be submitted on a Travel & Subsistence Expenses Claim Forms on school headed paper. (**Appendix 2**)

- Each claim for expenses should be verified and approved by the Principal. Where the Principal is the claimant, the chairperson of the board of management verifies and approves the claim.
- All documentation in relation to travel and subsistence claims should be retained for a period of seven years (i.e. six years after the tax year to which the records refer).
- The cumulative mileage/kilometres for the year to date must be included on the claim form. This includes all mileage/kilometres claims from any source.

Members of the board of management

- Members of boards of management shall not receive any financial remuneration for his or her services as a member of the board (AOM 6B). Travel to and from board of management meetings is not an allowable travel expense.
- The board of management should determine the types and categories of school business for which expenses may be paid for members of the board. Where a board member incurs significant costs to travel to board meetings, payment of such expenses should be agreed between the Trustee/Patron and the board.
- Per guidance from the Revenue Commissioners “Part 05-02-05 of the Income Tax, Tax and Duty Manual, Employee’s Motoring/Bicycle Expenses”:

Notwithstanding anything contained in tax law or in this Manual, the reimbursement of expenses of travelling and subsistence to individuals who work on a voluntary and unpaid basis for organisations whose functions and aims are both altruistic and non-commercial (for example, voluntary unpaid workers working for charities, sports bodies, etc.) may be paid tax-free, provided the expenses of travelling and subsistence –

- (a) *merely put the unpaid individual in a position to carry out his/her work; and*
- (b) *no more than reimburse the individual the expenses actually incurred by him/her and do not exceed the Civil Service rates for reimbursement of expenses of travelling and subsistence.*

*Note – Individuals involved in charities, sports bodies, etc. who, in addition to a reimbursement of actual expenses of travel and subsistence, **receive, either directly or indirectly, remuneration of any description (for example, weekly or monthly salary, an honorarium, and/or a ‘bonus’, etc.) do NOT fall within the description of ‘carrying out work on a voluntary and unpaid basis’.***

Principal and School Personnel

- Travelling and subsistence allowances are payable only in respect of necessary absence from school. Payment of such expenses is approved by the board. All travelling duties should be planned to reduce the total amount of travel to the minimum consistent with efficiency.
- The Principal/School Personnel must be temporarily away from his/her normal place of work in the performance of the duties of his/her office or employment;
- The travel expenses must be necessarily incurred in the performance of the duties of the office or employment; and
- Arising from a long-accepted position supported by tax case law, the expenses of subsistence must attach to travelling necessarily incurred in the performance of the duties of the office or employment.
- Where more than one person is travelling to the same area, arrangements should where feasible, be made to avoid the unnecessary duplication of the use of more than one car.
- Where a person proceeds on an official journey direct from home or returns home directly, the travelling allowance payable will be calculated by reference to the distance from home or school, whichever is the lesser.
- Travel expenses cannot be paid in respect of any portion of a journey which covers all or part of a person's usual route between home and school. If an employee receives expense payments in respect of travelling to and from work, such expense payments are taxable and subject to PAYE deductions.

Subsistence Expenses

- The FSSU recommends that subsistence payments should only be made on the basis of vouched expenditure on meals and necessary accommodation on submission of receipts to the Principal or, in the case of a Principal or board member, to the chairperson of the board.

Further information or clarification on any of the issues raised in this Guideline can be obtained from the FSSU.

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Appendix 1

Civil Service Travel Rates effective 1st April 2017

| Motor Travel Rates per kilometre | | | | |
|---|--------------------|-------------------------------------|---|--|
| Distance Bands | | Engine Capacity up to 1200cc | Engine Capacity 1201cc to 1500cc | Engine Capacity 1501cc and over |
| Band 1 | 0 – 1,500 km | 37.95 cent | 39.86 cent | 44.79 cent |
| Band 2 | 1,501 – 5,500 km | 70.00 cent | 73.21 cent | 83.53 cent |
| Band 3 | 5,501 – 25,000 km | 27.55 cent | 29.03 cent | 32.21 cent |
| Band 4 | 25,001 km and over | 21.36 cent | 22.23 cent | 25.85 cent |

| Reduced Motor Travel Rates per kilometre | | |
|---|---|--|
| Engine Capacity up to 1200cc | Engine Capacity 1201cc to 1500cc | Engine Capacity 1501cc and over |
| 16.59 cent | 17.63 cent | 18.97 cent |

Reduced mileage rates are payable for journeys associated with an individual's job but not solely related to the performance of those duties. Examples include:

- attendance at confined promotion competitions
- attendance at approved courses of education
- attendance at courses or conferences
- return visits home at weekends during periods of temporary transfer.

Appendix 2

TRAVEL & SUBSISTENCE EXPENSES CLAIM FORMS FOR USE IN VOLUNTARY SECONDARY SCHOOLS

(1) NAME (BLOCK CAPITALS) _____

HOME ADDRESS _____

(2) DETAILS OF CAR _____
(ENGINE C.C. etc.)

(3) CLAIM PERIOD _____

| | | |
|-------------------|---|-------|
| TRAVEL | € | _____ |
| SUBSISTENCE | € | _____ |
| MISCELLANEOUS | € | _____ |
| TOTAL CLAIM | € | _____ |
| AMOUNT DUE | € | _____ |

(4) DECLARATION BY CLAIMANT

I declare that:

- (a) The subsistence and other allowances that I claim are correct and in accordance with regulations.
- (b) The expenses were actually and necessarily incurred by me in relation to school business.
- (c) I have not claimed, nor will I claim from any Government Department, nor from any other source, the expenses incurred above.
- (d) My cumulative mileage to date for which I have been paid travelling expenses (including travel claimed herein and from other public bodies) during the current travel year is _____

SIGNATURE _____

DATE _____

(5) AUTHORISATION Signed on behalf of the Board of Management _____
(Principal / Chairperson)

