

The Lesser of Mileage Rule

In general, no claim for expenses will be accepted for journeys made between home and normal place of work except in certain circumstances, for example when an employee attends an evening meeting or an emergency callout.

The maximum an employee may claim is the lesser of the mileage travelled:

- The actual miles travelled on your journey; and
- The miles if the journey had started and finished at your normal place of work.

All mileage reimbursed for home to normal place of work journeys are taxable.

Example

An employee who is based in Perth travels from home in Coupar Angus to site in Pitlochry and returns home to Coupar Angus and incurs 62 miles which is the actual miles. The base (Perth) to site in (Pitlochry) miles return is 56 miles. The employee is only entitled to claim 56 miles.

