Great Lakes Graphics Association
Illinois • Indiana • Wisconsin

Our outside salespeople all drive their own vehicles. We reimburse mileage at 50 cents/mile. We are considering leasing vehicles for these salespeople, with the thought that we could save money. What are other companies doing?

Summary – 27 responses. Only one company said they are currently leasing vehicles for any sales staff.

We furnish a car plus a gas card. Personal mileage is tracked as 'personal use of auto'.

We also reimburse mileage at $.50 per mile, plus we give a car allowance each month ranging from $0 to $500, depending on their sales volume.

We are going through the same analysis now. We currently reimburse mileage, but feel as though providing a company-owned/leased vehicle would be less expensive. Our preliminary determination based on a new leased ($22k+) vehicle is that it's a "wash". If we are able to purchase a low dollar ($10k or less) but safe vehicle, it should work in the company's favor.

We reimburse mileage at .56 cents per mile.

We have our sales people drive their own vehicles and reimburse their mileage.

Lease is taxed as long as in place. Personal use should be taxed to salesperson as income, and very difficult to distribute repairs. Can't beat 50 cents per mile business only if well documented for personal car use.

We reimburse our reps based on the annual IRS standard mileage rate which is 54¢ per 2016 business miles.

We do not pay commission but we pay our sales people a monthly amount to go to car payment, enough to where they could lease an average affordable vehicle but some choose to pay the difference for a high end vehicle.

On gas they have a company credit card that is monitored and they have to turn in receipts.

Only the highest level salespeople get leased cars. The rest get mileage.

We pay a monthly stipend based on gas prices and sales volume. Currently it ranges from $600 to $800 / month.

They should use the federal reimbursement rate if they are doing that. Which I believe is at fifty four cents right now

Leasing cars is tricky as folks come and go and take worse care of them. Be careful if doing this. Although I recently spoke with a smaller local company that has a program through Hertz. It's a pretty sweet deal. New vehicle every three months. No charge for parking at the airport. Etc

My current deal is $679.00 a month plus mileage at .34. Works out well. This is administered by Rhunzheimer intl Like having my own car again after four Fusions

When my last employer provided the Fusion we also had a coded gas card. But we were taxed at a flat rate for personal mileage This was administered by GE fleet

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We currently pay mileage at the IRS rate.

Beginning on Jan. 1, 2016, the standard mileage rates for the use of a car (also vans, pickups or panel trucks) will be:

- 54 cents per mile for business miles driven, down from 57.5 cents for 2015

We used to have company cars and did away with them and we went to a straight $450.00 a month car allowance and we pay for their gas. They then have to adjust their taxes on gas as a portion is used for personal use.

Our sales reps own their own vehicles. They are reimbursed a flat rate of $500/month.

Our outside sales rep, who does not live near our facility, drives his own car. We give him a flat allowance of $3,500 per year to cover his auto & cell phone expenses. If he is driving to our facility (3 hours one way) then he can use his company credit card to purchase gas.

We used to have company-owned vehicles for sales, but have gone back to letting them drive their own vehicles. They need to be comfortable in their mobile office! We have always paid the IRS mileage rate (currently 54 cents per mile).

We have our reps use the app MileIQ to track mileage and do the reporting at the Federal Rate which I believe is .54. If they consistently are putting in enough miles that justifies a lease/insurance/fuel then we would convert.

Our sales staff drives their own vehicles as well. We pay mileage in two different ways. We have 1 rep who has been with the company for almost 30 years. He is paid per mile driven at the IRS standard mileage rate which is currently at $0.54. We also have reps who are paid a flat, monthly allowance. Our rate for the monthly allowance is $700/mo for existing reps and $500/mo for new reps.

Our Sales Representatives are responsible for their own vehicle expense and insurance coverage. They are required to maintain a minimum insurance coverage.

For non-sales representatives we pay the IRS Mileage rate for business miles using their own vehicle.

Our company will never entertain the thought of giving salespeople a car. Too many have been returned with damage from neglect and abuse – because it's wasn't their car. As for the mileage reimbursement, there is no law that says you have to give the same number as the IRS uses for reimbursement. The number currently in use was also in use when gas was $4.30 a gallon….Just pick a fair reimbursement number.

We only have one company owned vehicle (used to be leased) that is used for sales and small deliveries. Depending if your sales people are taking your leased vehicle home and then also using it for personal trips or if they take the vehicle from the office and return it there will play into whether there is a cost savings. The vehicle we have is also used for some personal use and that employee pays the company $90/month for that. The company pays all gas, insurance, repairs, etc.

We have 9 sales reps and we offer a monthly “auto allowance”. It ranges between $375 - $550 with consideration for where the customers might be and the frequency the sales rep is required to see them. (I.e.: Chicago)

We pay mileage. We got out of the car business many years ago and have never looked back.

We Purchased 3 vehicles for the sales reps., we supply a gas and maintenance card as well. The Sales people fill out a mileage book and miles used personally are charged back to the employee. This has saved us a bundle and helps us keep tabs on the sales rep.

We reimburse mileage at the IRS rate and have found that to be the best option.

Our outside sales people also drive their own cars. We reimburse at the IRS rate - .54 for 2016. We do cap them at $250.00 per month. I have one who almost never hits the $250 mark and two others that hit it every month.

We only lease one vehicle, the president of the company drives it.

Keep in mind if you are leasing, there is a lease payment, insurance and gas. Would they be allowed to drive it for non-work related things?? If yes, then personal miles have to be tracked and reported through payroll as use of a company car.

Reimbursement for local miles driven is built into our salespersons overall compensation plan. Expenses for the occasional out of town trip are reimbursed separately.