

DIRECTIVE 20/16

Supersedes: 14/10

Minister for Employment and Industrial Relations Directive: Motor Vehicle Allowances

1. Purpose:

To prescribe the motor vehicle allowances payable to public service employees when they are required to use a private motor vehicle for official purposes.

2. Effective date: 1 July 2016.

3. Legislative authority:

Section 54(1) of the *Public Service Act 2008*.

4. Application:

This Directive applies to “public service employees” as defined in section 9 of the *Public Service Act 2008*.

5. Previous references:

- Directive 14/10: Motor Vehicle Allowances
- Directive 6/07: Motor Vehicle Allowances
- Directive 9/06: Motor Vehicle Allowances
- Directive 7/05: Motor Vehicle Allowances
- Directive: 6/04: Motor Vehicle Allowances
- Directive 07/03 Motor Vehicle Allowances
- Directive 03/03: Motor Vehicle Allowances
- Directive 13/01: Motor Vehicle Allowances
- Directive 21/99: Motor Vehicle Allowances
- Directive 13/97: Motor Vehicle Allowances
- Sections 63 and 68 of the Public Service Management and Employment
- Regulation 1988 as in force on 24 February 1995
- Determination No. 12
- Circulars 4/98, 2/94, 1/91
- Administrative Instruction No. 1 I 69

DIRECTIVE

PART A – GENERAL CONDITIONS

6. Entitlement

- 6.1 A “public service employee” (**referred to as an “employee” in this directive**) who uses his or her private motor vehicle to undertake official duties is to be paid a motor vehicle allowance as provided in this directive for the distance necessarily and actually travelled.
- 6.2 The amount of the allowance will depend upon the type of motor vehicle used.

7. Vehicles on novated leases

- 7.1 Employees with vehicles on novated leases are eligible to claim motor vehicle allowances under the conditions prescribed in this directive. These allowances are paid via the payroll system and are included in the gross salary reported on the employee’s payment summary.
- 7.2 Employees with vehicles on novated leases should consider seeking independent advice on taxation issues that may arise from claiming motor vehicle allowances. A novated lease vehicle is technically the employer’s car. Therefore, it can be expected that employees would be unable to claim a tax deduction on their personal income tax return for business travel undertaken in a car that is subject to a novated lease.
- 7.3 Employees who are a party to a novated lease arrangement that is subject to a claim for a motor vehicle allowance are required to clearly identify on the claim form that the claim relates to a novated lease vehicle.

8. Chief Executive authorisation

- 8.1 For all purposes of this directive, the use of a private motor vehicle for official purposes must be authorised by the Chief Executive.
- 8.2 Before authorisations are given under this directive, the following conditions are to be met:
- the vehicle is to be covered by either a comprehensive motor vehicle insurance policy or a third party property damage insurance policy; and
 - the employee is to produce evidence that the insurance policy has been endorsed to indemnify the Queensland Government against certain liabilities at law. This is a standard endorsement available on request from all insurance companies. The policy does not require the actual words ‘Queensland Government’; the word ‘employer’ will suffice.
 - The department should refund any endorsement fees.

9. Residence to headquarters

- 9.1 Motor vehicle allowance is not payable for the distance travelled from an employee’s residence to the employee’s headquarters and return.

10. Time limits on claims

- 10.1 Without the approval of the chief executive, a claim will not be paid unless it is submitted within 12 months –
- of the date of completion of the work; or
 - the incurring of the expense; or
 - the conclusion of the circumstances leading to the claim.

PART B – MOTOR VEHICLE ALLOWANCES

11. Employee Performing Official Duties

- 11.1 An employee who is required to use his or her private motor vehicle for official purposes is to be paid the appropriate rate prescribed within the relevant modern award, with the exception of an employee using a motorcycle, for which the applicable allowance is 30.0c per kilometre.
- 11.2 At the same time of any adjustment to the allowances in the relevant award, the motorcycle allowance set out in clause 11.1 shall be automatically increased by the percentage movement in the Eight Capitals Consumer Price Index for the Private motoring sub-group most recently published by the Australian Bureau of Statistics since the allowance was last adjusted (starting from an initial 'adjustment date' of 1 September 2014).

12. Relieving or Special Duties

- 12.1 An employee who is required to use his or her private motor vehicle while performing relieving or special duty for the following situations is to be paid the appropriate rate prescribed below:
- (a) An employee not absent from normal headquarters overnight who is required to commute daily to the centre where the relieving takes place is entitled to the appropriate allowance in clause 11 above for the additional distance travelled between the employees' residence and the centre where the relief is being provided. No allowance is payable where the distance between the employees' residence and the centre (at which the employee is relieving) is less than the distance between the employee's residence and the employee's normal headquarters.
- (b) An employee absent from his or her normal headquarters overnight who is required to travel from his or her residence or normal headquarters to the centre where the relieving takes place is entitled to the appropriate allowance in clause 11 above for the forward and return journey and between centres where special or relieving duty is performed at more than one centre.

13. Courses and Seminars, etc.

- 13.1 An employee who is required to use his or her private motor vehicle to attend a course, seminar, conference, convention, etc, as an official representative is to be paid the appropriate allowance in clause 11 above for the additional distance travelled between the employee's residence and the place of attendance.
- 13.2 No allowance is payable where the distance between the employee's residence and the place of attendance is less than the distance between the employee's residence and the employee's normal headquarters.

14. Employees who choose to use their Private Motor Vehicles

- 14.1 Where the approved means of travel is other than the use of an employee's private motor vehicle, and the employee requests and is granted permission to use his or her motor vehicle, the allowance paid is to be determined by the chief executive. This allowance is not to exceed the rates specified below:
- (a) Automobiles – 37.5 cents per km
(b) Motorcycles – 15.0 cents per km
- 14.2 The allowance paid is not to exceed the costs associated with the approved means of travel.

NOTE: These rates may be incorporated in Directives or policies covering:

- Transfer and appointment expenses;

- Leave/travel concessions for isolated centres
- Relocation expenses for retiring officers
- Study and research assistance