

TAX ADVANTAGES OF PER DIEM MANAGER

MARRIED – FILING JOINT RETURN*	No Per Diem	Per Diem
Driver Annual Income	\$50,000	\$50,000
Employer-provided Per Diem	-0-	\$16,500
Gross Taxable Income	\$50,000	\$33,500
Standard Deduction	(\$24,000)	(\$24,000)
Taxable Income	\$26,000	\$9,500
Tax*	\$2,739	\$950
Tax Savings		\$1,789

SINGLE*	No Per Diem	Per Diem
Driver Annual Income	\$50,000	\$50,000
Employer-provided Per Diem	-0-	\$16,500
Gross Taxable Income	\$50,000	\$33,500
Standard Deduction	(\$12,000)	(\$12,000)
Taxable Income	\$38,000	\$21,500
Tax*	\$4,370	\$2,390
Tax Savings		\$1,980

WHO WE ARE

About Us

Atlantic HR Solutions is a leading provider of innovative fleet and driver solutions for the transportation industry.

Since 2004, Atlantic HR Solutions, Inc. has developed and maintained substantiated solutions for the trucking industry, including IRS-compliant Per Diem programs as well as intuitive software applications. AHRS provides federal tax compliance and applicable updates to federal tax laws affecting Omnitracs new Hours of Service integrated Per Diem Manager software.

Contact Us

Chief Training Officer: **Chris Nichols**
 Phone: (800) 577-3163
 Email: ChrisN@atlantichrsolutions.com
 Web: www.AtlanticHRSolutions.com



ATLANTIC HR SOLUTIONS, INC

P O Box 4619
 Murrells Inlet, SC 29576

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Per Diem Manager applies prevailing Treasury Regulations, IRS Revenue Procedures, FMCSA and DOT rules.

* 2018 IRS Tax Tables



Per Diem Manager

By



Driver Handbook

THE IRS IS VERY SPECIFIC ON PER DIEM

Per Diem is a payment to an employee under an accountable expense reimbursement allowance that is -

- Paid for business expenses the employer reasonably anticipates will be incurred by an employee for travel away from home for:

Meals and Incidental Expenses

- A fixed amount is awarded instead of reimbursing actual meals and incidental expenses: **No receipts required.**
- All amounts paid under an accountable plan are: *Tax free, are not reported on Form W-2 and are not subject to income or employment taxes.*
- Anyone who travels out of town overnight for work is allowed to claim Per Diem.
- A driver must be working away from home for at least 12 hours. *This refers to the day a driver starts and ends their travel.*
- Within a reasonable amount of time the driver must substantiate *“Time, Date, and Place”*, business connection and purpose of travel. A driver's HOS log provides the required substantiation.

PAYROLL ADVANTAGES OF PER DIEM MANAGER

Comparison	No Per Diem	Per Diem Manager
Company Driver Income	\$1000	\$1000
Per Diem	\$ -0-	\$330
Taxable Income	\$1000	\$670
Taxes (Federal, FICA,)	(\$203)	(\$119)
Net Tax Savings		\$84
Take Home	\$797	\$881
Extra Driver Cash Per Mile		3.5 - 4¢

Accountable per diem is:

Tax free, is not reported on Form W-2 and is not subject to income or employment taxes.



HOS-INTEGRATED PER DIEM MANAGEMENT SOLUTION

THINGS TO REMEMBER

- Beginning January 1st 2018, company drivers can no longer claim a Per Diem deduction on their end of year taxes. Drivers can only receive the benefits of Per Diem, if they are participating in a company sponsored reimbursement program like Per Diem Manager.
- A driver who is out of town overnight may receive one **\$66** meals & incidental expense reimbursement up to 7 times per week.
- A driver must depart for an overnight trip before 12:00 noon to be awarded Per Diem on the first day away from home, and return home after noon to be awarded Per Diem on the last day away from home.
- Per Diem is awarded when travelling at least 25 miles away from your tax home zip code.
- IRS-required “Time, Date and Place” substantiation is retained and accessible to a driver for 7 years.
- Per Diem Manager is provided as a benefit to company drivers at no cost to the driver.
- **Owner Operators** per diem is not calculated in payroll. It is compiled for end of year reporting.