

Reimbursement for Expenses

YOUR LEGAL RIGHTS

1. For what kinds of expenditures do I get reimbursed?

Employees should get reimbursed for losses and reasonable expenses incurred while doing their job. To be eligible for reimbursement, you must be able to show that you incurred a particular expense or loss while performing services at the request of, or for the benefit of, your employer. You also must show that you performed the services under the direction or control of the employer.

2. Does my employer have to reimburse me for mileage on my vehicle?

Yes, but your employer may choose how to provide the reimbursement. Your employer *may* choose to reimburse you a reasonable mileage rate that will, on average, substitute for your actual cost in operating your vehicle for business purposes. Employers who reimburse for mileage usually use the rate suggested by the Internal Revenue Service (IRS). The rate as of September, 2005 was \$.485 per mile. Employers may, instead, choose to pay for the actual costs incurred while operating your vehicle for business purposes. Under this option, rather than pay you \$.485 per mile, your employer would pay for the actual amount of gasoline your car used, etc. while being used for business.

3. What happens if my personal vehicle is damaged or stolen while I'm on company business?

This depends on whether your employer pays you a reasonable mileage rate reimbursement. If your employer *does* reimburse you for mileage using a reasonable rate, your employer *does not* have to pay if your vehicle is damaged or stolen (unless the damage or theft was directly caused by your employer's negligence). However, if your employer chooses instead to pay you the actual cost of operating your vehicle, then any loss or damage to your vehicle must be paid for by the employer.

This fact sheet is intended to provide accurate, general information regarding legal rights relating to employment in California. Yet because laws and legal procedures are subject to frequent change and differing interpretations, the Legal Aid Society - Employment Law Center cannot ensure the information in this fact sheet is current nor be responsible for any use to which it is put. Do not rely on this information without consulting an attorney or the appropriate agency about your rights in your particular situation.

For further information about your employment rights, please call:

The Workers' Rights Clinic

415-864-8208 (SF Bay Area) or 866-864-8208 (Toll Free in CA)

The Workers' Rights Clinic is a project of The Legal Aid Society - Employment Law Center, a non-profit organization focusing on the employment-related legal rights of low-income workers and providing free legal information on a wide range of employment-related problems.

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