

Significant changes announced to flat rate motoring expenses and subsistence allowances

The Department of Public Expenditure and Reform have announced significant changes from 1 April 2017, to flat rate motoring expenses and standard rates of subsistence allowances that apply to the Civil Service. The new arrangements will also impact the private sector, as the Civil Service rates provide the benchmark for Revenue approved flat rate allowances.

Revised arrangements

Motoring expenses:

- the number of distance bands have increased from two to four;
- a lower recoupment rate will apply for the first 1,500 km;
- an increased recoupment rate will apply from 1,501 km to 5,500km, allowing for more beneficial recoupment rates for employees who do significant work related driving;
- there are more beneficial rates for cars with lower engine sizes and emissions;
- mileage to date in 2017 will count towards aggregated mileage for the year; and
- the revised motor travel rates are set out in figures one and two in the appendix and are effective from 1 April 2017.

Subsistence expenses:

- the standard overnight rate of subsistence allowance has increased in line with changes to the Consumer Price Index (CPI), while both day rates remain unchanged;
- a separate Vouched Accommodation (VA) rate may apply where employees are claiming an overnight allowance in Dublin;
- the VA rate which may be claimed consists of the vouched costs of accommodation, up to a limit of the standard overnight rate (€133.73) plus the appropriate day rate for employee meals; and
- the revised standard rates of subsistence allowance are set out in figures three and four in the appendix and are effective from 1 April 2017.



Rate bands

Figure 1: Motor travel rates per kilometre
Effective from 1 April 2017

Distance bands		Engine capacity up to 1200cc	Engine capacity 1201cc to 1500cc	Engine capacity 1500cc and over
Band 1	0-1,500 km	37.95 cent	39.86 cent	44.79 cent
Band 2	1,501-5,500 km	70.00 cent	73.21 cent	83.53 cent
Band 3	5,501-25,000 km	27.55 cent	29.03 cent	32.21 cent
Band 4	25,001 km and over	21.36 cent	22.23 cent	25.85 cent

Figure 2: Reduced motor travel rates per kilometre
Effective from 1 April 2017

Engine capacity up to 1200cc	Engine capacity 1201cc to 1500cc	Engine capacity 1500cc and over
16.59 cent	17.63 cent	18.97 cent

Figure 3: Standard domestic subsistence rates
Effective from 1 April 2017

Overnight rates

Normal rate	Reduced rate	Detention rate
€133.73	€120.36	€66.87

Date rates

Ten hours of more	Five hours but less than ten hours
€33.61	€14.01

Figure 4: VA domestic subsistence rates (for use in Dublin only)
Effective from 1 April 2017

Accommodation	Meals
Vouched cost of accommodation up to €133.73	€33.61

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