

requirements) of earnings each year). And remember also that other matters concerning workmen's compensation, liability insurance, state taxes (including unemployment taxes) and other matters relating to earnings in your particular type of work and the state(s) in which you operate.

When determining passenger vehicle expenses, you cannot use, under current IRS rules and regulations, the standard mileage rate (which is 48.5 cents per mile for 2007 and 50.5 cents per mile for 2008) for vehicles used for hire such as taxicab, bus or tractor (over-the-road trucks). **Only actual passenger vehicle operating expenses are permitted to be claimed and deducted from taxable income or you must use the alternative stated rates per mile, but not both!**

Particular vehicle types, their specific use, percentage of business use and whose name the vehicle is legally titled in all have bearing on how to claim and depreciate the vehicle. For example: **An 18-wheeler is 3-year property and may possibly be expensed entirely in the first year of operation** if the vehicle is used by the lawful owner...unless the vehicle is in a leased or leased-to-own property situation.

Per diem information can easily be obtained online at:

http://www.taxalmanac.org/index.php/Discussion:Truck_Drivers_Per_Diem or at <http://www.gsa.gov>

and inquire about both 1) PER DIEMS and 2) CONUS for latest data and charts for specific areas. Note: the Per Diem rates are not constant and are calculated on basis of federal fiscal year beginning October 1st through following year September 30th. Discuss these issues with your tax advisor each and every year for best results!

Hope this all helps you deal with your travel expenses. You can also download further information from the IRS at www.irs.gov and then review the instructions for Form 2106 (Employee Business Expenses) and related topics.