

May 22, 2012

CHANGES IN FEDERAL AND STATE REIMBURSEMENT RATES FOR TRAVEL

Updated by Brad Harris, Finance and Accounting Consultant

FEDERAL RATES EFFECTIVE OCTOBER 1, 2011

Tennessee cities that elect to reimburse for official travel using the federal reimbursement rates should note that the federal government has increased per diem reimbursement rates effective October 1, 2011. Cities may wish to update their travel policies to reflect this change. These rates are effective until September 30, 2012.

The FY 2012 standard CONUS (continental United States) rate for lodging remains at \$77. The M&IE (meals and incidental expenses) rate remains at \$46.

While the standard CONUS lodging remains at \$77, the federal rate changed for select cities in Tennessee. The table below lists those changes. Nashville again topped the list at \$107, with other select cities falling below \$100 in lodging expense. M&IE rates for the first and last days of travel are calculated at 75 percent of the authorized daily rates.

City or Location	County	Lodging	M & IE	Total	MIE First/ Last Day at 75%
Brentwood/Franklin	Williamson	\$ 97	\$ 56	\$153	\$ 42.00
Chattanooga	Hamilton	\$ 94	\$ 56	\$150	\$ 42.00
Knoxville	Knox	\$ 86	\$ 56	\$142	\$ 42.00
Memphis	Shelby	\$ 93	\$ 61	\$154	\$ 45.75
Nashville	Davidson	\$107	\$ 66	\$173	\$ 49.50
Oak Ridge	Anderson	\$ 91	\$ 46	\$137	\$ 34.50
All other Tennessee locations		\$ 77	\$ 46	\$123	\$ 34.50

Meals and incidental expenses are broken down as shown in the following table for locations in Tennessee.

M&IE	\$ 46	\$ 56	\$ 61	\$ 66
Breakfast	7	9	10	11
Lunch	11	13	15	16
Dinner	23	29	31	34
Incidentals	5	5	5	5

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These federal per diem rates apply to all locations within or entirely surrounded by the corporate limits of the key city as well as the boundaries of the county, including other municipalities within the county. Additionally, the federal standard mileage rate for reimbursements currently is 55.5 cents per mile.

Federal reimbursement rates for out-of-state travel vary from state to state. A complete listing of federal per diem rates for FY 2012 can be found at U.S. General Services Administration (www.gsa.gov).

STATE OF TENNESSEE RATES EFFECTIVE OCTOBER 1, 2011

The table below lists lodging rates for Tennessee cities for use by cities that elect to use the state of Tennessee reimbursement rates. The state reimbursement policy states that employees should use the U.S. General Services Administration CONUS rates provided by the federal government. The state travel policy, revised October 1, 2011, and effective until modified or withdrawn, can be found in the *Tennessee Comprehensive Travel Regulations*. The state of Tennessee general reimbursement rate for standard mileage effective August 1, 2011, is 47 cents per mile.

IN-STATE TRAVEL LODGING REIMBURSEMENT RATES

In-state lodging and meal rates follow the CONUS rates for Tennessee. The standard in-state lodging rate of \$77 and \$46 for meals should be used for all in-state locations not listed in the following table.

County (City)	Maximum Lodging	Maximum Meals and Incidentals
Davidson (Nashville)	\$107	\$ 66
Shelby (Memphis)	\$ 93	\$ 61
Williamson (Brentwood/Franklin)	\$ 97	\$ 56
Hamilton (Chattanooga)	\$ 94	\$ 56
Knox (Knoxville)	\$ 86	\$ 56
Anderson (Oak Ridge)	\$ 91	\$ 46
All locations not listed above	\$ 77	\$ 46

IN-STATE MEALS AND INCIDENTALS ALLOCATED BY MEAL

Per Diem Rate	\$46	\$56	\$61	\$66
Breakfast	\$ 7	\$ 9	\$10	\$11
Lunch	\$11	\$13	\$15	\$16
Dinner	\$23	\$29	\$31	\$34
Incidentals	\$ 5	\$ 5	\$ 5	\$ 5

FINANCE OFFICE REVIEW

Please review your city's travel policy to determine the applicable reimbursement rates for lodging and M&IE. If your city's travel policy makes reimbursements based on the state or federal rate, the changes noted above may take effect without any action by your city board. If, however, your city's policy establishes specific reimbursement rates for lodging and meals, you may need to amend the travel policy to reflect the above changes in regard to other travel expenses.

For more information, contact the MTAS management or finance consultant in your area.

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