

MILEAGE REIMBURSEMENT IN EUROPE



INTRODUCTION

The reimbursement of travel expenses is aimed to cover employee's commute costs to reach their place of employment. As every country in Europe covers these costs at different rates, we have put this document together as your guideline to understand your obligations as an employer to cover these expenses.

A log must be kept containing the ZIP code of the start and end location, the client/company that has been visited and the purpose of the trip. This report must be added to each mileage claim.

MILEAGE REIMBURSEMENT PER COUNTRY

Austria

The Austrian rate for mileage reimbursement is € 0.42 per km for a car. For a motorcycle this is €0.24 and for a bike it is €0.38. The official mileage allowance can be recognized for a maximum of 30,000 kilometers per calendar year.

Belgium

The Belgian rate for an employee is €0.3532 per driven kilometer. The mileage allowance is neither subject to social security contributions nor to payroll tax. If the compensation is higher than this amount, it is considered as a form of remuneration and the employee will be charged for a benefit in kind. The employee is due to pay social security contributions on this amount. An additional condition is that the number of kilometres per year should not be abnormally high (max. 24.000 kilometres per year). If the number of kilometres is higher, proof must be furnished

Croatia

The tax-free reimbursement in Croatia is 2 Croatian Kuna per kilometer.

Czech Republic

The basic rate for 1 km compensation:

- Two-wheeled vehicles and tricycles: CZK 1.10
- Motor vehicles CZK 4.10
- Wagon, bus, tractor CZK 8.40

Finland

The tax-exempt kilometer allowance by private car €0.43 per km.

France

The French system is a bit more complex and the reimbursement rate is depending on the type of car and the total amount of driven kilometers:

Power	Up to 5 000 km	5,001 km to 20 000 km	Above 20,000 km
3 CV and below	d x 0.451	(d x 0.270) + 906	d x 0.315
4 CV	d x 0.518	(d x 0.291) + 1136	d x 0.349
5 CV	d x 0.543	(d x 0.305) + 1188	d x 0.364
6 CV	d x 0.568	(d x 0.320) + 1244	d x 0.382
7 CV and over	d x 0.595	(d x 0.337) + 1288	d x 0.401

Germany

A German employer is allowed to reimburse €0.30 per kilometer tax free for a car and 0.20 for a motorcycle. Please note that is only allowed when confirmed by a special listing reflecting the date/reason/driven distance and trip route with a private car. An amount above this threshold is a taxable benefit (i.e. seen as taxable income for the employee and subject to payroll tax).

Hungary

A flat rate of HUF 9 per km and petrol usage reimbursement (upon a receipt).

Ireland

The Irish system is also using a system where the reimbursement is depending on the type of car and the kilometers per year:

Engine capacity	0 to 1200cc	1201 to 1500cc	> 1501cc
Up to 1500 km	37.95c	39.86c	44.79c
1501-5500 km	70c	73.21c	83.53c
5501 – 25000km	27.25c	29.03c	32.21c
25001 and over	21.36c	22.23c	25.85c

Italy

Italy has about hundred different legal mileage reimbursement rates, these are depending on the engine category, the car manufacturer, type of fuel and engine capacity. Since this is so specific, we cannot give any standard rates but we can advise you on this as soon with some more back ground information. You can check on the following website or just to have a look because it's a very long list:
<https://www.informazionefiscale.it/Tabelle-ACI-2020-calcolo-rimborso-chilometrico-fringe-benefit-auto-aziendali#a>

Netherlands

An allowance of €0.19 or less per kilometre is free of tax and social security contributions. If an allowance exceeds €0.19 per kilometre, the Dutch tax authorities will regard the excess as (taxable) wages.

United Kingdom

The mileage reimbursement per kilometre for a car in the UK is 45 pence for the first 10.000 miles and above 25 pence. For motorcycles it is 24 pence and for a bike 20pence per mile.

Poland

- Car below 900 cm³ 0.5214 Polish Zloty per km
- Car above 900 cm³ 0.8358
- Motorcycle 0.2302

Portugal

A Portuguese employer can reimburse up to € 0.36 per km.

Spain

The tax-free rate is 0.19 per kilometer, everything on top is taxable

Slovakia

The amounts of the basic compensation for using the road motor vehicles for business trips is €0.193 per km

Slovenia

Refund of costs raised based on actual costs or EUR 0.37 per kilometer for the use of own car for business purposes. The employee has to ask permission upfront for his expenses and have a written proof of the approval from the employer.

Sweden

SEK 18.50 per 10 km for your own car

Switzerland

CHF 0.70 per km (with a total mileage up to 10.000 km per year) CHF 0.60 per km (with a total mileage over 10.000 km per year) CHF 0.40 per km for a motorcycle CHF 0.30 per km for a bike.

If you have any questions regarding mileage reimbursement in Europe or any other HR Outsourcing related questions to help you with your European operations, contact our VP of HR Outsourcing, Monique Ramondt-Sanders via email at m.ramondt@eurodev.com. Alternatively, you can contact her at +31 (0) 546 66 00 00

MEET OUR VP OF HR OUTSOURCING

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