

Accountable vs. Nonaccountable Plans (Reg. 1.62-2)

Type of Reimbursement (or other expense allowance) Arrangement	Employer Reports on Form W-2	Employee Shows on Form 2106
ACCOUNTABLE PLAN		
Actual expense reimbursement Adequate accounting and excess returned.	No amount.	No amount.
Actual expense reimbursement Adequate accounting and return of excess required but excess not returned.	Excess reported as wages in box 1. No amount.	
Per Diem or Mileage allowance (up to federal rate) Adequate accounting and excess returned.	Not reported.	All expenses and reimbursements ONLY if excess expenses are claimed. Otherwise, form is not filed.
Per diem or mileage allowance up to the federal rate: Adequate accounting and return of excess; both required but excess not returned.	The excess amount as wages in box 1. The amount up to the federal rate is reported only in box 13 - it is not reported in box 1.	No amount.
Per Diem or Mileage allowance (exceeds federal rate) Adequate accounting up to the federal rate only and excess not returned.	Excess reported as wages in box 1. Amount up to the standard mileage reported on Form W-2, box 13) rate is reported only in box 13--it is NOT reported in box 1.	All expenses (and reimbursements federal rate are claimed. Otherwise, form is not filed.
NONACCOUNTABLE PLAN		
Either adequate accounting or return of excess, or both, not required by plan.	Entire amount is reported as wages in box 1.	All expenses.
NO REIMBURSEMENT PLAN		
	The entire amount as wages in box 1.	All expenses.