

Policy & title FND_Mileage_PAY004

Effective date 1 August 2004

Objective The purpose of the policy is to:

- clearly define who is entitled to claim mileage that will be paid from UCT funds, the conditions and rates applicable; and
- clarify the process and related responsibilities.

Scope Includes all mileage claims that are paid for by UCT funds.

Applicable to All UCT staff, students, organisations, committee members, external parties and Joint Medical Staff on PGWC conditions of service claiming mileage paid from UCT funds, who are authorised to use privately owned vehicles for official university purposes, including research.

Additional information

- The mileage claim will not initially be subject to employees’ tax in the month in which it is received by the staff member. UCT is responsible for ensuring that the full amount received by an employee is reflected on the IRP5.
- No taxable income will have been earned where the cumulative reimbursement does not exceed 12,000 km per tax year and the rate per kilometre limitation allowed, and no other compensation is paid to the employee.
- Related policies:
 - Funds deposited at or held by UCT [[GEN001](#)]
 - Reimbursements [[PAY005](#)]
 - Subsistence & Travel [[PAY002](#)]
 - Petty Cash [[PAY003](#)]
 - PCard [[PUR002](#)]

Policy

- The UCT rates quoted are the maximum applicable rates per vehicle (including motor cycles).
- The rate is a fixed rate and does not vary according to the number of passengers.
- The following rates per kilometre will apply from 1 March 2025:

Rate for period 1 Mar 2025 – 28 Feb 2026	
Motor vehicles (all types)	R4.76

- Only in exceptional circumstances will mileage be reimbursed at a rate that exceeds the UCT rate, e.g. where a research contract explicitly states that a mileage reimbursement rate in excess of the above is to be paid. Where the reimbursive allowance exceeds the prescribed rate per kilometre (irrespective of the kilometres travelled), the full reimbursive allowance is subject to employees’ tax.
- Mileage claims will only be paid based on the most economical means of transport, which is the lesser of
 - the mileage claim, at the above rate, or
 - the cost of a return air ticket and/or the hire of a Group A motorcar from the University's approved car rental firm.

Proof of the equivalent cost must be included with the claim.

 **Note**

If special circumstances prevail requiring the use of a privately owned vehicle, this must be motivated for, approved by the Head of Department (HOD), and included with the claim.

- Mileage claims for field work, off-campus teaching (that is part of the official course requirements) and any other UCT business is paid only for travel outside a radius of 10 km from the relevant campus.
- If the job requires regular business travel of distances less than 10 km, this can be claimed with the line manager's explicit authorisation (to be reviewed annually) included with each claim.
- Travelling between the staff member's residential address and the principle place of employment, in the normal course of business, is considered private travelling and no claim can be made for such travel. Any exception to this must be motivated for and approved by the line manager.

 **Note**

Travel between home and the airport on UCT business can be claimed separate to the S&T allowance.

- Where the point of departure is the residential address and the distance from there to the destination is
 - shorter than from there to the principle place of employment, no reimbursement will be made, or
 - greater than from there to the principle place of employment, then the claim must be reduced by the distance between the residential address and the principle place of employment.

 **Note**

For external parties, where the residential address is the place of employment, the full distance can be claimed via the [FM049](#).

- Reimbursements for tanks of petrol, as opposed to mileage claims based on business kilometres, can only be made for departmental or hired vehicles, where business use of the vehicle has already been approved.
- Mileage may not be claimed for year-end functions.
- If a staff member receives a travel allowance, then business mileage cannot be reimbursed.
- All mileage claimants must have a SAP vendor number, and payments will be made directly into the relevant bank account.
- Mileage claims for less than R300 should, where practical, be accumulated.
- Mileage claims must not be reimbursed from petty cash due to IRP5 tax reporting requirements.
- All mileage claims must be approved by the fund holder as authorised signatory. In addition, where the amount exceeds R15,000, the signature of one authority level higher is required (i.e. HOD, Dean, Executive Director, Deputy Vice Chancellor).
- All mileage reimbursements must be claimed within 6 months, preferably within the same financial and tax year as the expenditure. If this 6 month period has elapsed, a motivation giving the extenuating circumstances should be sent to your faculty/PASS finance manager, together with the relevant claim form.

- Procedure**
- Complete and submit form [FM030](#) (Mileage Claim: UCT staff/students) or [FM049](#) (Reimbursement for UCT external parties), whichever is applicable.
 - The fund holder’s signature is required on all claims or requests for mileage claims, and, where the amount exceeds R15,000, a signature one level higher is also required.
 - A student that is also a staff member has to provide both staff and student numbers.
 - The details submitted must include the actual business mileage of each trip, and not the total kilometres for multiple trips combined.
 - If an additional spreadsheet, noting the business km travelled, is submitted with the mileage claim, the total on the spreadsheet must be the same as the total kilometres included on the form.
 - If special circumstances require additional documentation i.e. proof of equivalent costs or letter of motivation, these must be attached to the claim.
 - All Purchase Orders (POs) for mileage claims by UCT staff or students must be placed using the SAP staff or student vendor.
 - To request a SAP staff vendor number, e-mail the name and staff number of the claimant to PPS Master data (fnd-purch@uct.ac.za) or complete form FM040 (Staff Vendor Application).
 - For IRP5 purposes, the purchaser must use the material code for the mileage claim and enter the number of kilometres claimed.
 - The goods receipted PO and completed form must be submitted to: Creditors Section, Finance Department, 2nd Floor Meulenhof, 93 Main Road, Mowbray, UCT.

Implementation responsibility Each individual authorised to claim mileage for the use of privately owned vehicles for official university purposes.

 **Note**

The HOD is responsible for ensuring all policies and procedures are communicated to and implemented by the responsible individual(s), including research staff. The Faculty/PASS finance manager has to ensure reasonable controls exist to support the implementation of policies.

Contact Finance helpdesk
fnd-finance@uct.ac.za
 021 650-2111

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Policy owner	Executive Director: Finance
Responsible for update	Director: Group Finance
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[\[Back to top\]](#)