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Annual Lease Value

Generally, you figure the annual lease value of an automobile as follows.

1. Determine the fair market value (FMV) of the automobile on the first date it is available to any employee for personal use.
2. Using Table 3-1. Annual Lease Value Table, read down column (1) until you come to the dollar range within which the FMV of the automobile falls. Then read across to column (2) to find the annual lease value.

Table 3-1. Annual Lease Value Table

(1) Automobile FMV	(2) Annual Lease
\$ - to \$ 999	\$ 600.00
\$ 1,000 to \$ 1,999	\$ 850.00
\$ 2,000 to \$ 2,999	\$ 1,100.00
\$ 3,000 to \$ 3,999	\$ 1,350.00
\$ 4,000 to \$ 4,999	\$ 1,600.00
\$ 5,000 to \$ 5,999	\$ 1,850.00
\$ 6,000 to \$ 6,999	\$ 2,100.00
\$ 7,000 to \$ 7,999	\$ 2,350.00
\$ 8,000 to \$ 8,999	\$ 2,600.00
\$ 9,000 to \$ 9,999	\$ 2,850.00
\$ 10,000 to \$ 10,999	\$ 3,100.00
\$ 11,000 to \$ 11,999	\$ 3,350.00
\$ 12,000 to \$ 12,999	\$ 3,600.00
\$ 13,000 to \$ 13,999	\$ 3,850.00
\$ 14,000 to \$ 14,999	\$ 4,100.00
\$ 15,000 to \$ 15,999	\$ 4,350.00
\$ 16,000 to \$ 16,999	\$ 4,600.00
\$ 17,000 to \$ 17,999	\$ 4,850.00
\$ 18,000 to \$ 18,999	\$ 5,100.00
\$ 19,000 to \$ 19,999	\$ 5,350.00
\$ 20,000 to \$ 20,999	\$ 5,600.00
\$ 21,000 to \$ 21,999	\$ 5,850.00
\$ 22,000 to \$ 22,999	\$ 6,100.00
\$ 23,000 to \$ 23,999	\$ 6,350.00
\$ 24,000 to \$ 24,999	\$ 6,600.00
\$ 25,000 to \$ 25,999	\$ 6,850.00
\$ 26,000 to \$ 27,999	\$ 7,250.00
\$ 28,000 to \$ 29,999	\$ 7,750.00
\$ 30,000 to \$ 31,999	\$ 8,250.00
\$ 32,000 to \$ 33,999	\$ 8,750.00
\$ 34,000 to \$ 35,999	\$ 9,250.00
\$ 36,000 to \$ 37,999	\$ 9,750.00
\$ 38,000 to \$ 39,999	\$ 10,250.00
\$ 40,000 to \$ 41,999	\$ 10,750.00
\$ 42,000 to \$ 43,999	\$ 11,250.00
\$ 44,000 to \$ 45,999	\$ 11,750.00
\$ 46,000 to \$ 47,999	\$ 12,250.00
\$ 48,000 to \$ 49,999	\$ 12,750.00
\$ 50,000 to \$ 51,999	\$ 13,250.00
\$ 52,000 to \$ 53,999	\$ 13,750.00
\$ 54,000 to \$ 55,999	\$ 14,250.00
\$ 56,000 to \$ 57,999	\$ 14,750.00
\$ 58,000 to \$ 59,999	\$ 15,250.00

For automobiles with a FMV of more than \$59,999, the annual lease value equals (.25 x the FMV of the automobile)+\$500.

FMV. The FMV of an automobile is the amount a person would pay to buy it from a third party in an arm's-length transaction in the area in which the automobile is bought or leased. That amount includes all purchase expenses, such as sales tax and title fees.