



Township of North Kawartha
280 Burleigh Street, PO Box 550, Apsley, ON K0L 1A0
Tel: 705-656-4445 | 1-800-755-6931 | Fax: 705-656-4446
www.northkawartha.ca

Report to Council

To: Mayor and Council Members
From: Judy Everett, Treasurer
Date: March 6, 2025
Subject: 2025 Mileage Rate

Recommendation:

That Council pass a motion to approve the mileage rate of \$.72 per km applicable to the first 5,000 kilometres of annual travel and \$.66 per km applicable to any km over 5,000 kilometres for the 2025 year; and further that the Township's mileage rate be adjusted to stay consistent with the Canada Revenue Agency's reasonable mileage allowance rate on an annual basis; and further that the Treasurer is directed to continue with this annual mileage rate process until a change is requested by Council or the Treasurer.

Background:

Michelle Fisher, CPA, General Manager, Finance/Deputy Treasurer, Peterborough County, advised us of the County's 2025 mileage rates. Their practice is to base mileage rates on the annual CRA rates and to annually adjust them accordingly.

The Township's mileage rates have been consistent with the County of Peterborough's rates and were most recently \$.70/km for the first 5,000 kilometres and \$.64/km for kilometres over 5,000 for the year.

Analysis:

The Canada Revenue Agency's Taxable Benefits and Allowance's Employer's Guide states that an allowance is taxable unless it is based on a reasonable per-kilometre rate. CRA's reasonable allowance rates for 2025 are \$.72/km for the first 5,000 kilometres driven and \$.66/km driven after that.

The County of Peterborough passed a motion a couple of years ago that they would utilize the same mileage rate as the CRA's reasonable allowance rate each year. Because the Township has adopted the same rate as the County for several years, it would be prudent for the Township to also pass a motion to adjust the mileage rates annually to mirror the CRA's mileage rates.



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Financial Implications:

Nominal effect on the 2025 budget.

Strategic and/or Other Plans:

Strategic Plan:

- 3.1 Maintain policies and processes that enable effective governance.
- 3.3 Provide effective, clear and transparent Township communication.

Consultant(s) Sourced:

Michelle Fisher, CPA, General Manager, Finance/Deputy Treasurer, Peterborough County

Alana Solman, Chief Administrative Officer

Attachments:

None