Flight Tax Systems – Mixed Use Instructions

- All flights must be entered and saved first, with the same flight number and consecutive leg numbers. Mixed Use can only be processed in FTS for flights within the same flight #.
- After entering and saving the flight, re-enter any of the flight legs other than leg 1 so that you get to the "Flight Leg Info Edit Mode" screen (one legged flights cannot be Mixed Use, so choose any leg starting with leg 2).
- You should now see a check box question at the bottom of the flight edit screen asking if this leg is part of a Mixed-Use flight.
- Check this box for only one of the legs within the flight. Don't check it for more than one leg of the flight trip, but it can be any one of the legs (it does not matter which leg, other than not leg 1).

- Save and exit the flight edit screen.
(Screen Shot 1 below)

- To process the override on the trip, go to the Reports page and select the Mixed Use report.
- Click the green plus sign by the flight you want to process.
(Screen Shot 2 below)

- Click Yes that you need to modify passenger information for this trip.
(Screen Shot 3 below)

- Select a passenger to process.
(Screen Shot 4 below)

- Determine what the primary purpose of the flight was.
(Screen Shot 5 below)

To determine a SIFL charge for a trip that was primarily for business purposes, we start by calculating the SIFL cost of the entire trip for this passenger as though it was completely for personal purposes. Next, you will create a hypothetical "Business Trip" that includes all business and non-deductible business entertainment stops. For the final step, we will subtract the cost of the hypothetical Business Trip from the completely personal total. This remaining amount will be the amount charged for SIFL. Miles and hours are calculated in the same fashion.

To determine a SIFL charge for a trip that was primarily personal, you will create a hypothetical "Personal Trip" that includes only the stops with a personal purpose. Using ONLY the hypothetical trip, we will then calculate the SIFL charge. Miles and hours are calculated in the same fashion.

- In Step 2 using the airport options rebuild the flight as if it were **only** for the purpose you selected. Therefore if you selected it was primarily a business trip, only select the flight legs that were business for this passenger. Eliminate all entertainment and non-business flights.
- Select Process
(Screen Shot 6 below)

- Review and select Save if information is correct
(Screen Shot 7 below)

- Repeat the process for any additional passengers
(Screen Shot 8 below)

- Mixed Use flights will be identified on the SIFL and Cost Disallowance reports with an M in the Notes column. The adjustments will always be at the bottom of the report and will be summarized in the summary at the bottom.
(Screen Shot 9 below)

- If you need to erase a Mixed Use override after it's been processed, go back in to the flight leg information and underline uncheck the box that asked if it is a Mixed Use flight and save. Your flight information will remain, but anything you processed in the Mixed Use section will be wiped out. To regenerate the Mixed Use, check the box again and save. Repeat above.

In this flight scenario, an executive (Howard Boss) and spouse (Spouse Boss) traveled from KFXE to KATL for a business trip for Howard. They then went on to KSAV for an entertainment weekend getaway and then returned back to KFXE.

Screen Shot 1

FLIGHT LEG INFORMATION   (EDIT MODE)   ✕

* Flight Date: 10/01/2020 ▦ (mm/dd/yyyy)

* This flight was the 2nd ⌄ flight of the day.

* Flight Number: 10012020   * Leg Number: 2

* Departure: KATL - Hartsfield - Jackson Atlanta International Airport ✔

  * Arrival: KSAV - Savannah/Hilton Head International Airport ✔

* Flight Hours: 0.6 (Info)

* Category: Passenger ⌄   * # Passengers: 2

Purpose of Leg: After business meeting in Atlanta, flew to Savannah for weekend getaway.

[Update Flight Info] [Close Window]

☐ This leg is part of a Mixed-Use flight. (?)

FLIGHT INFO

COST CENTERS

PASSENGERS

Flight Date
10/01/2020

Flight #
10012020

Leg #
2

DOCS
View and Upload
Flight Documents

Screen Shot 2:

| Welcome |
| Account |
| Owner |
| Aircraft |
| Employees |
| Guests |
| Flights |
| **Reports** |

Report Name: Mixed-Use Flight Report   **Owner:**

The mixed-use flights below match your search parameters.

	Flight Dates	Aircraft	Flight #	Total Legs	Status
➕	10/01/2020 - 10/05/2020	N1234T	10012020	3	Pending

Screen Shot 3:

Report Name: Mixed-Use Flight Report   **Owner:**

The mixed-use flights below match your search parameters.

	Flight Dates	Aircraft	Flight #	Total Legs	Status
➕	10/01/2020 - 10/05/2020	N1234T	10012020	3	Pending

The legs below were part of the trip that you selected.

Flight Date	Aircraft	Flight #	Leg #	Depart	Arrive	Miles	Hours	Bus Pax	NBNE Pax	NDBE Pax	Ent Pax	Commute Pax
10/01/2020	N1234T	10012020	1	KFXE	KATL	573.6	1.6	1.0	0.0	0.0	1.0	0.0
10/01/2020	N1234T	10012020	2	KATL	KSAV	214.2	0.6	0.0	0.0	0.0	2.0	0.0
10/05/2020	N1234T	10012020	3	KSAV	KFXE	414.4	1.4	0.0	0.0	0.0	2.0	0.0
				Totals:		1,202.2	3.6					

I need to modify passenger information for this trip: ◯ Yes ⦿ No

Screen Shot 4:

Flight Date	Aircraft	Flight #	Leg #	Depart	Arrive	Miles	Hours	Bus Pax	NBNE Pax	NDBE Pax	Ent Pax	Commute Pax
10/01/2020	N1234T	10012020	1	KFXE	KATL	573.6	1.6	1.0	0.0	0.0	1.0	0.0
10/01/2020	N1234T	10012020	2	KATL	KSAV	214.2	0.6	0.0	0.0	0.0	2.0	0.0
10/05/2020	N1234T	10012020	3	KSAV	KFXE	414.4	1.4	0.0	0.0	0.0	2.0	0.0

The following passenger / hosts were part of this mixed-use flight:

#	Passenger	Host	Status
1.	Howard Boss	Howard Boss	Incomplete
2.	Spouse Boss	Howard Boss	Not Mixed-Use

Screen Shot 5:

Flight Date	Aircraft	Flight #	Leg #	Depart	Arrive	Miles	Hours	Bus Pax	NBNE Pax	NDBE Pax	Ent Pax	Commute Pax
10/01/2020	N1234T	10012020	1	KFXE	KATL	573.6	1.6	1.0	0.0	0.0	1.0	0.0
10/01/2020	N1234T	10012020	2	KATL	KSAV	214.2	0.6	0.0	0.0	0.0	2.0	0.0
10/05/2020	N1234T	10012020	3	KSAV	KFXE	414.4	1.4	0.0	0.0	0.0	2.0	0.0

The following passenger / hosts were part of this mixed-use flight:

#	Passenger	Host	Status
1.	Howard Boss	Howard Boss	Incomplete

Step 1: Determine the primary purpose of the entire trip for this passenger.

○ Business / Non-Deductible Business Entertainment ○ Personal (Entertainment / NBNE / Non-Deductible Commuting)

| 2. | Spouse Boss | Howard Boss | Not Mixed-Use |

Screen Shot 6:

Flight Date	Aircraft	Flight #	Leg #	Depart	Arrive	Miles	Hours	Bus Pax	NBNE Pax	NDBE Pax	Ent Pax	Commute Pax
10/01/2020	N1234T	10012020	1	KFXE	KATL	573.6	1.6	1.0	0.0	0.0	1.0	0.0
10/01/2020	N1234T	10012020	2	KATL	KSAV	214.2	0.6	0.0	0.0	0.0	2.0	0.0
10/05/2020	N1234T	10012020	3	KSAV	KFXE	414.4	1.4	0.0	0.0	0.0	2.0	0.0

The following passenger / hosts were part of this mixed-use flight:

#	Passenger	Host	Status
1.	Howard Boss	Howard Boss	Incomplete

Step 1: Determine the primary purpose of the entire trip for this passenger.

● Business / Non-Deductible Business Entertainment ○ Personal (Entertainment / NBNE / Non-Deductible Commuting)

- To determine a SIFL charge for a trip that was primarily for business purposes, we start by calculating the SIFL cost of the entire trip for this passenger as though it was completely for personal purposes.
- Next, we need to create a hypothetical "Business Trip" that includes **all business and non-deductible business entertainment** stops.
- For the final step, we will subtract the cost of the hypothetical Business Trip from the completely personal total. This remaining amount will be the amount charged for SIFL.

Cost of the entire trip if it was 100% personal: $1,232.54

Step 2: Determine the hypothetical "Business Trip".

KFXE ∨ TO KATL ∨

KATL ∨ TO KFXE ∨ [Add Leg 2]

[Process Trip]

| 2. | Spouse Boss | Howard Boss | Not Mixed-Use |

Screen Shot 7:

						Report Name:	Mixed-Use Passenger Information					

Flight Date	Aircraft	Flight #	Leg #	Depart	Arrive	Miles	Hours	Bus Pax	NBNE Pax	NDBE Pax	Ent Pax	Commute Pax
10/01/2020	N1234T	10012020	1	KFXE	KATL	573.6	1.6	1.0	0.0	0.0	1.0	0.0
10/01/2020	N1234T	10012020	2	KATL	KSAV	214.2	0.6	0.0	0.0	0.0	2.0	0.0
10/05/2020	N1234T	10012020	3	KSAV	KFXE	414.4	1.4	0.0	0.0	0.0	2.0	0.0

The following passenger / hosts were part of this mixed-use flight:

#	Passenger	Host	Status
1.	Howard Boss	Howard Boss	Incomplete

Step 3: Verify and save the final calculations.

Primary purpose of the trip: Business
Hypothetical Business Trip: KFXE - KATL - KFXE

	SIFL	Miles	Hours
100% Personal Trip	1,232.54	1,202.2	3.6
Hypothetical Business Trip Exclusion	- 603.76	- 1,147.2	- 3.4
Mixed-Use Calculations:	628.78	55.0	0.2
Original Entertainment Values	671.40	628.6	2.0
Entertainment Adjustments:	-42.62	-573.6	-1.8
Original Business Values	- - -	573.6	1.6
Business Adjustments:		+573.6	+1.8

Save These Results

#	Passenger	Host	Status
2.	Spouse Boss	Howard Boss	Not Mixed-Use

Screen Shot 8:

							Report Name:	Mixed-Use Passenger Information				

Flight Date	Aircraft	Flight #	Leg #	Depart	Arrive	Miles	Hours	Bus Pax	NBNE Pax	NDBE Pax	Ent Pax	Commute Pax
10/01/2020	N1234T	10012020	1	KFXE	KATL	573.6	1.6	1.0	0.0	0.0	1.0	0.0
10/01/2020	N1234T	10012020	2	KATL	KSAV	214.2	0.6	0.0	0.0	0.0	2.0	0.0
10/05/2020	N1234T	10012020	3	KSAV	KFXE	414.4	1.4	0.0	0.0	0.0	2.0	0.0

The following passenger / hosts were part of this mixed-use flight:

#	Passenger	Host	Status
1.	Howard Boss	Howard Boss	Processed
2.	Spouse Boss	Howard Boss	Not Mixed-Use

In this flight scenario Spouse Boss did not have any Mixed Use. In scenario's where there are other passengers that need to be processed, you will select the Incomplete Status button and follow the steps above.

Screen Shot 9 – SIFL REPORT:

Report Name:	Employee SIFL Report	Owner:	FTS Test Demo SG
Employee:	Mr. Howard Boss	Employee Type:	(Control)
Date Range:	10/1/2020 - 12/5/2020		

Date	Aircraft	Flight #	Leg #	From	To	Statute Miles	Bus Pax	NBNE Pax	NDBE Pax	Ent Pax	Commute Pax	Pt-to-Pt Miles	0-500 Miles	501-1500 Miles	1500+ Miles	Subtotal	Factor	Subtotal	Term Charge	Subtotal	NBNE SIFL	Intl SIFL	Ent SIFL	Commute SIFL	Total SIFL	Reimbursed	Passenger	Notes
10/01/2020	N1234T	10012020	1	KFXE	KATL	573.6	1	0	0	1	0	573.6	116.55	13.08	0.00	129.63	400%	518.52	42.62	561.14	0.00	0.00	561.14	0.00	561.14	0.00	Spouse Boss	M
10/01/2020	N1234T	10012020	2	KATL	KSAV	214.2	0	0	0	2	0	214.2	49.94	0.00	0.00	49.94	400%	199.76	42.62	242.38	0.00	0.00	242.38	0.00	242.38	0.00	Howard Boss	M
						214.2						214.2	49.94	0.00	0.00	49.94	400%	199.76	42.62	242.38	0.00	0.00	242.38	0.00	242.38	0.00	Spouse Boss	M
10/05/2020	N1234T	10012020	3	KSAV	KFXE	414.4	0	0	0	2	0	414.4	96.60	0.00	0.00	96.60	400%	386.40	42.62	429.02	0.00	0.00	429.02	0.00	429.02	0.00	Howard Boss	M
						414.4						414.4	96.60	0.00	0.00	96.60	400%	386.40	42.62	429.02	0.00	0.00	429.02	0.00	429.02	0.00	Spouse Boss	M
Mixed-Use Adjustments																											
10/05/2020	N1234T	10012020	*Mixed-Use Adjustment for Howard Boss*																				-42.62		-42.62		Howard Boss	M
Totals:		3 Flights				1,202.2	1	0	0	5	0										0.00	0.00	1,861.32	0.00	1,861.32	0.00		

Employee	SIFL Amount	Adjustments	Net SIFL	Reimbursement	Reportable SIFL
Howard Boss	1,903.94	-42.62	1,861.32	0.00	1,861.32
Totals:	1,903.94	-42.62	1,861.32	0.00	1,861.32

Passenger counts consist of:
Bus Pax - Business Passengers
NBNE Pax - Non-Business Non-Entertainment Passengers
NDBE Pax - Non-Deductible Business Entertainment Passengers
Ent Pax - Entertainment Passengers
Commute Pax - Non-Deductible Commuting Passengers

Codes Found in Notes:
M - Part of a Mixed-Use trip

In this case, before running the Mixed Use calculation, Howard's individual SIFL was $671.40.

His individual SIFL after running the Mixed Use calculation should be $628.78.

The adjustment between the original SIFL and the Mixed Use SIFL is -$42.62

Howard's spouse did not have any Mixed Use and 100% of the SIFL will be charged to Howard for the spouse.

In order to fully see the Mixed-Use adjustments, this first screen shot shows only Howard's portion of the trip:

Report Name: Cost Disallowance Report   Owner: FTS Test Demo SG

Date	Aircraft	Flight #	Leg #	Depart	Arrive	Flight Hrs	Statute Miles	Total Pass	Bus Pax	NBNE Pax	NDBE Pax	Ent Pax	Commute Pax	Total Seat Miles	Bus Seat Miles	NBNE Seat Miles	NDBE Seat Miles	Ent Seat Miles	Commute Seat Miles	Total Seat Hours	Bus Seat Hours	NBNE Seat Hours	NDBE Seat Hours	Ent Seat Hours	Commute Seat Hours	Bus Miles	NBNE Miles	NDBE Miles	Ent Miles	Commute Miles	Bus Hours	NBNE Hours	NDBE Hours	Ent Hours	Commute Hours	Notes
														Seat Miles Calculation						Seat Hours Calculation						Flight-by-Flight Calculation										
10/01/2020	N1234T	10012020	1	KFXE	KATL	1.6	573.6	1	1.0	0.0	0.0	0.0	0.0	573.6	573.6	0.0	0.0	0.0	0.0	1.6	1.6	0	0	0	0	573.6	-	-	-	-	1.6	-	-	-	-	M
10/01/2020	N1234T	10012020	2	KATL	KSAV	0.6	214.2	1	0.0	0.0	0.0	1.0	0.0	214.2	0.0	0.0	0.0	214.2	0.0	0.6	0	0	0	0.6	0	-	-	-	214.2	-	-	-	-	0.6	-	M
10/05/2020	N1234T	10012020	3	KSAV	KFXE	1.4	414.4	1	0.0	0.0	0.0	1.0	0.0	414.4	0.0	0.0	0.0	414.4	0.0	1.4	0	0	0	1.4	0	-	-	-	414.4	-	-	-	-	1.4	-	M
Mixed-Use Adjustments																																			
10/05/2020	N1234T	10012020	*Mixed-Use Adjustment for Howard Boss*											573.6				-573.6		1.8				-1.8		573.6		-573.6			1.8		-1.8			M
Totals:		3 Flights				3.6	1,202.2							1,202.2	1,147.2	0.0	0.0	55.0	0.0	3.6	3.4	0.0	0.0	0.2	0.0	1,147.2	0.0	0.0	55.0	0.0	3.4	0.0	0.0	0.2	0.0
														95.4%	0.0%	0.0%	4.6%	0.0%		94.4%	0.0%	0.0%	5.6%	0.0%	95.4%	0.0%	0.0%	4.6%	0.0%	94.4%	0.0%	0.0%	5.6%	0.0%	
																	4.6% Seat Miles Disallowed						5.6% Seat Hours Disallowed					4.6% FBF Miles Disallowed					5.6% FBF Hours Disallowed			

Passenger counts consist of:
Bus Pax - Business Passengers
NBNE Pax - Non-Business Non-Entertainment Passengers
NDBE Pax - Non-Deductible Business Entertainment Passengers
Ent Pax - Entertainment Passengers
Commute Pax - Non-Deductible Commuting Passengers

Codes Found in Notes:
M - Part of a Mixed-Use trip

This second screen shot shows both Howard and the spouse's trip combined:

Report Name: Cost Disallowance Report   Owner: FTS Test Demo SG

Date	Aircraft	Flight #	Leg #	Depart	Arrive	Flight Hrs	Statute Miles	Total Pass	Bus Pax	NBNE Pax	NDBE Pax	Ent Pax	Commute Pax	Total Seat Miles	Bus Seat Miles	NBNE Seat Miles	NDBE Seat Miles	Ent Seat Miles	Commute Seat Miles	Total Seat Hours	Bus Seat Hours	NBNE Seat Hours	NDBE Seat Hours	Ent Seat Hours	Commute Seat Hours	Bus Miles	NBNE Miles	NDBE Miles	Ent Miles	Commute Miles	Bus Hours	NBNE Hours	NDBE Hours	Ent Hours	Commute Hours	Notes
														Seat Miles Calculation						Seat Hours Calculation						Flight-by-Flight Calculation										
10/01/2020	N1234T	10012020	1	KFXE	KATL	1.6	573.6	2	1.0	0.0	0.0	1.0	0.0	1,147.2	573.6	0.0	0.0	573.6	0.0	3.2	1.6	0	0	1.6	0	286.8	-	-	286.8	-	0.8	-	-	0.8	-	M
10/01/2020	N1234T	10012020	2	KATL	KSAV	0.6	214.2	2	0.0	0.0	0.0	2.0	0.0	428.4	0.0	0.0	0.0	428.4	0.0	1.2	0	0	0	1.2	0	-	-	-	214.2	-	-	-	-	0.6	-	M
10/05/2020	N1234T	10012020	3	KSAV	KFXE	1.4	414.4	2	0.0	0.0	0.0	2.0	0.0	828.8	0.0	0.0	0.0	828.8	0.0	2.8	0	0	0	2.8	0	-	-	-	414.4	-	-	-	-	1.4	-	M
Mixed-Use Adjustments																																				
10/05/2020	N1234T	10012020	*Mixed-Use Adjustment for Howard Boss*											573.6				-573.6		1.8				-1.8		286.8		-286.8			0.9		-0.9			M
Totals:		3 Flights				3.6	1,202.2							2,404.4	1,147.2	0.0	0.0	1,257.2	0.0	7.2	3.4	0.0	0.0	3.8	0.0	573.6	0.0	0.0	628.6	0.0	1.7	0.0	0.0	1.9	0.0
														47.7%	0.0%	0.0%	52.3%	0.0%		47.2%	0.0%	0.0%	52.8%	0.0%	47.7%	0.0%	0.0%	52.3%	0.0%	47.2%	0.0%	0.0%	52.8%	0.0%	
																	52.3% Seat Miles Disallowed						52.8% Seat Hours Disallowed					52.3% FBF Miles Disallowed					52.8% FBF Hours Disallowed			

Passenger counts consist of:
Bus Pax - Business Passengers
NBNE Pax - Non-Business Non-Entertainment Passengers
NDBE Pax - Non-Deductible Business Entertainment Passengers
Ent Pax - Entertainment Passengers
Commute Pax - Non-Deductible Commuting Passengers

Codes Found in Notes:
M - Part of a Mixed-Use trip

Cost Disallowance follows the same calculation for Miles and Hours.

In this case, Howard's original Entertainment Miles were 628.6 and Hours were 2.

<u>After running the Mixed Use calculation Howard's Miles should be 55 and Hours .2.</u>

The adjustment between the original Miles and the Mixed Use Miles is -573.6. The adjustment between his original Hours and Mixed Use Hours is -1.8.