

## 26 U.S. Code § 119

### MEALS FURNISHED FOR CONVENIENCE OF OFPD

1. Okolona Fire Protection District (OPFD) furnishes meals to emergency workers for the convenience of OFPD. Deviation from this policy means that the value of each meal is fully taxable to each employee and must be reported on all W2's as well as reported to CERS. This policy only applies to Federal Income Tax. Each employee should contact their own CPA or Tax Attorney regarding whether meals are excludable under Kentucky Tax Law. OFPD nor any employee is allowed to provide tax advice to any other employee.

**2. Meals provided to emergency workers are excluded from an individual employee's federal income tax *only if* the meals are provided on OFPD's actual business premises (Station 1, 2 or 3).** OFPD must be able to show that emergencies actually occur or can be reasonably expected to occur. *26 U.S. Code § 119.* Additionally, meals provided to OFPD employees that are required to occupy living quarters on OFPD's business premises as a condition of employment are excludable from federal income tax.

3. OFPD employees receiving meals furnished by OFPD must actually be on call for emergencies during the meal time.

4. OFPD's bank is issuing 'Smart Cards' to furnish meals at Stations 1, 2 & 3. These cards will have a predetermined amount placed on the card each pay period (26 times per year). Once funds are depleted the card will not be reloaded until the following pay period.

5. If a 'Smart Card' is lost then the person responsible shall replace the card at their own cost. OFPD shall not pay to replace any lost 'Smart Card'. The lost 'Smart Card' shall be reported to the Deputy Chief who shall only order a new card upon payment for the replacement card by the responsible party.

6. A damaged card shall be delivered to the Deputy Chief who shall then order a new card paid by OFPD.

7. 'Smart Cards' shall only be used for food products and only at recognized grocery stores within OFPD's territory or within one mile of OFPD's territory.

8. 'Smart Cards' shall not be used at any restaurant.

9. Kroger Plus or similar rewards cards shall not be used for any of these transactions.

10. There shall be no alcohol, tobacco products or personal items purchased with the Smart Cards.

**11. Receipts shall be electronically delivered to the Deputy Chief and/or Bookkeeper for accounting purposes after each purchase. If receipts are not submitted then that card shall be deactivated after the first occurrence. Should noncompliant behavior continue then the entire meal program shall be discontinued permanently.**

12. Meals furnished before or after working hours are fully taxable.

13. Meals furnished on non-working days are fully taxable.

14. Cash or checks given to any employee for meals is illegal and taxable income.

Approved by the Board of Trustees at a regular meeting on April 14, 2022.