



North Carolina Department of Public Safety

Adult Correction and Juvenile Justice

Pat McCrory, Governor
Frank L. Perry, Secretary

W. David Guice, Commissioner

MEMORANDUM

To: Chairs of the Joint Legislative Oversight Committee on Justice and Public Safety

From: Frank L. Perry, Secretary
W. David Guice, Commissioner

SUBJECT: Probation Parole Vehicle Study

Date: December 7, 2016

Pursuant to Section 17C.3 of Session Law 2016-94, The Department of Public Safety, in consultation with the Department of Administration and the Department of Revenue, shall study whether probation and parole officers should be allowed to take their State vehicles home with them, and the possible tax implications of doing so, and report their findings and recommendations to the chairs of the Joint Legislative Oversight Committee on Justice and Public Safety by March 1, 2017.

Pursuant to this legislative directive, the Department of Revenue (DOR) Income Tax Division reviewed pertinent federal laws and regulations and, based on this analysis, DOR has determined that providing a qualified non-personal use vehicle to a law enforcement officer is a working condition fringe benefit and is not taxable to the law enforcement officer. The DOR analysis also states that the Department of Public Safety (DPS) must determine if North Carolina law defines Probation Parole Officers (PPOs) as reasonably similar to the definition of law enforcement officers.

The definition of PPOs being reasonably similar to that of law enforcement officers was addressed in recent legislation passed by the North Carolina General Assembly. Part IV, Section 9.(b) of Session Law 2016-77 amends General Statute 20-187.2 to state “ For purposes of this section, certified probation and parole officers shall be considered members of a North Carolina State law enforcement agency.”

At a recent meeting to further discuss these issues, the Department of Administration (DOA) representatives were provided the findings from DOR that the provision allowing PPOs driving their state owned vehicles to their residence would not be considered a taxable fringe benefit; therefore no charge to the officer by DOA would be necessary.

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Upon review of all the information received and, considering the discussions held in meetings with representatives of the Department of Administration and the Department of Revenue, we believe and would concur that PPOs are reasonably considered law enforcement officers and could legally drive marked state vehicles to their residence without violation of tax laws and regulations, and which would not be considered a taxable fringe benefit.

With the passage of the Justice Reinvestment Act and continuing criminal justice reforms, probation, parole, and post release supervision and operations have changed drastically. Officers respond to caseload issues at all times during the day and night, serve as team members in response to state emergencies, assist local law enforcement when requested through the Mutual Aid agreement, and respond to critical incidents throughout Adult Corrections. The ability to respond in an efficient, expedient, and more effective manner would greatly enhance public safety. Considering all of the above, we agree that this practice would be beneficial to the Department of Public Safety and the State of North Carolina and would recommend this practice be allowed.

Cc: NC Department of Administration
NC Department of Revenue