LINDA LINGLE
GOVERNOR

RUSS K. SAITO
Comptroller

KATHERINE H. THOMASON
Deputy Comptroller

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING
AND GENERAL SERVICES
P.O. BOX 119
HONOLULU, HAWAII 96810-0119

JAN 7 2004

COMPTROLLER'S MEMORANDUM NO. 2004-02

TO: Heads of Departments

ATTN: Fiscal Offices

SUBJECT: Federal Per Diem Rates (CONUS)

In Revenue Procedure 2003-80, the Internal Revenue Service has superceded the federal per diem rates established by Revenue Procedure 2002-63 for travel within the continental United States (CONUS). These standard rates affect the computation of the taxable portion of per diem allowances paid to State of Hawaii officers and employees. The information in this memorandum therefore needs to be forwarded to the offices in your department responsible for the computation and reporting of the taxable portion of per diem allowances for payroll tax withholding purposes.

The following rates are to be used for computing, under the high-low substantiation method, the taxable portion of per diem for CONUS travel expenses paid or incurred on or after January 1, 2004.

	High-Cost Locality	Low-Cost Locality
Lodging	$161	$ 90
Meals and Incidental Expenses	46	36
Total federal rates	$207	$126

Revenue Procedure 2003-80 has also made some changes in the locations identified in the high-cost category. Attached is an updated listing of the high-cost localities; all other CONUS localities are considered low-cost localities under the high-low substantiation method.

Russ K Saito

RUSS K. SAITO
State Comptroller

Attachment

year specified in parenthesis under the key city name, except as provided in section 5.06 of this revenue procedure:

Key city	*County or other defined location*
California	
Napa (April 1–November 15)	Napa
Palm Springs (January 1–May 31)	Riverside
San Francisco	San Francisco
Santa Monica	City limits of Santa Monica
Tahoe City	Placer
Colorado	
Aspen (January 1–April 30)	Pitkin
Silverthorne/Keystone	Summit
Telluride (December 20–September 30)	San Miguel
Vail (December 1–March 31)	Eagle
District of Columbia	
Washington, D.C. (also the cities of Alexandria, Fairfax, and Falls Church, and the counties of Arlington, Fairfax, and Loudoun, in Virginia; and the counties of Montgomery and Prince George's in Maryland)	
Florida	
Key West (January 1–April 30)	Monroe
Naples (December 16–April 15)	Collier
Idaho	
Coeur d'Alene (June 1–September 30)	Kootenai
Sun Valley	City limits of Sun Valley
Illinois	
Chicago	Cook and Lake
Louisiana	
New Orleans/St. Bernard (January 1–May 31)	Orleans, St. Bernard, Plaquemine, and Jefferson Parishes
Maine	
Kennebunk/Kittery/Sanford (June 15–October 31)	York
Maryland	
(For the counties of Montgomery and Prince George's, see District of Columbia)	
Baltimore	Baltimore
Ocean City (June 15–October 31)	Worcester

Massachusetts	
Boston	Suffolk
Cambridge	Middlesex (except Lowell)
Martha's Vineyard (June 1–October 15)	Dukes
Nantucket (June 15–October 15)	Nantucket
Michigan	
Mackinac Island	Mackinac
Traverse City	Grand Traverse
Montana	
Big Sky	Gallatin (except West Yellowstone)
Nevada	
Stateline	Douglas
New Jersey	
Atlantic City (June 1–November 30)	Atlantic
Cape May (June 1–November 30)	Cape May (except Ocean City)
Edison	Middlesex (except Piscataway)
Newark	Essex, Bergen, Hudson and Passaic
Ocean City (June 15–September 15)	City limits of Ocean City
Piscataway/Belle Mead	Somerset; and the city limits of Piscataway
Princeton/Trenton	Mercer
New York	
The Bronx/Queens	The boroughs of The Bronx and Queens
Brooklyn	The borough of Brooklyn
Manhattan	The borough of Manhattan
Nassau County/Great Neck	Nassau
Staten Island	Richmond
Suffolk County	Suffolk
White Plains	City limits of White Plains
Pennsylvania	
Hershey (June 1–September 15)	City limits of Hershey
King of Prussia/Ft. Washington/Bala Cynwyd	Montgomery
Philadelphia	Philadelphia
Utah	
Park City (December 15–March 31)	Summit
Virginia	
(For the cities of Alexandria, Fairfax, and Falls Church, and the counties of Arlington, Fairfax, and Loudoun, see District of Columbia)	
Wintergreen	Nelson
Washington	
Seattle	King