

Moving Expenses

Moving expenses fall into two categories as defined by the IRS; Qualified and Non-qualified. Qualified moving expenses are non-taxable to the employee and not subject to payroll withholding. Non-qualified moving expenses are taxable to the employee and are subject to payroll tax withholding.

Examples of Qualified (Non-Taxable) Moving Expenses are:

- Air, Train, etc. fare one way for employees & members of their household
- Moving companies/movers
- Gas for rented vehicles
- Tolls, parking
- Truck/car rental to Utica College
- Lodging (non-local through moving process)
- Mileage for personal vehicles up to \$.19/mile

Two types of payments for these expenses are available:

1. Direct Payment- For Qualified Expenses only

Direct payments to vendors (such as moving companies) will be made based upon the receipt of an invoice and employee instructions to pay directly to the vendor. Qualified moving expenses directly paid to a vendor are not required to be reported on the employee's Form W-2.

2. Reimbursement to Employee- For Qualified Expenses only

Authorized reimbursements for moving expenses paid from the employee's personal funds should be submitted via the Moving Expense Reimbursement/Authorization Form. Original receipts should be attached. An employee cannot be reimbursed for moving expenses prior to his/her appointment start date. Payment will be identified and paid through Payroll as non-taxable wages.

If a candidate withdraws his or her acceptance post offer, the college will not reimburse any incurred relocation expenses.

Non-Qualified (Taxable) Expenses only

On rare occasions, reimbursements for non-qualified moving expenses are authorized. These expenses are paid from the employee's personal funds and will be identified and paid through Payroll as **taxable** wages. Non-qualified expenses are generally **not** covered under the colleges moving expense reimbursements. These type of expenses would be authorized on an exception only basis and could include expenses such as meals, local lodging, temporary living expenses, pre-move house hunting trips, storage in excess of 30 days, and mileage for personal vehicles in excess of .19/mile.

Both qualified and non-qualified moving expense reimbursements are reported on the employee's W-2. Qualified moving expenses are reported separately, in Box 12 and identified by the letter P. Non-qualified moving expenses are included in Box 1, "Wages, tips and other compensation", and also reported separately in Box 14.

Please refer to IRS Publication 521 for additional information on moving expenses.

Relocation Procedure

Relocation expenses are not a standard part of every compensation package. They are intended to be used on an as needed basis only and serve the purpose of offering further enticement for candidates we would like to attract to Utica College.

Requests for new or replacement administrator positions should include an estimate for relocation assistance. Actual allowances against moving expenses are authorized at the time of initial appointment. Administrators include members of the President's or Provost's Cabinets, managers in key positions, and other academic leaders. These allowances are intended to make a contribution toward the cost of relocation and are normally less than the expenses incurred. The amount of the allowance is determined by the distance of the old residence from the College.

Current guidelines for moving allowances for administrators are as follows:

<u>Miles</u>	<u>Maximum Allowance</u>
0 - 250	Up to \$1,000
251 - 1,000	Up to \$2,000
1,001 - 2,000	Up to \$3,000
2,001+ miles	Up to \$4,000

Moving and relocation expenses for faculty will also be based on distance. However, given the consistent need to recruit for faculty positions from a national pool, additional allowances are provided as follows:

<u>Miles</u>	<u>Maximum Allowance</u>
0 - 250	Up to \$2,000
251 - 1,000	Up to \$3,000
1,001 - 2,000	Up to \$4,000
2,001+ miles	Up to \$5,000

In the event of the need to relocate from a residence outside of the United States, the College may reimburse any administrator or faculty candidate for expenses of up to \$10,000. These rare instances must be approved by the Provost (faculty) or President (administrators) and the Vice President for Financial Affairs.

Please contact the Office of Human Resources at (315) 792-3276 with any questions.