

## Moving Expense Reimbursement Policy

POLICY: The reimbursement for moving expenses is governed by the NDCC Chapter 44-08-04.3 and the North Dakota SBHE Policy #806.3. Tax treatment is determined by Internal Revenue Service regulations.

Moving expenses may be reimbursed when staff are initially hired from outside the university system. Permanent staff, employed for one year or more, may be eligible for reimbursement when, at the direction of the employer, are transferred to a new work location within the university system. **In addition, the total reimbursement limit for permanent employees transferred within the system is \$5,000.**

**Approval is required prior to offering the reimbursement of moving expenses as a part of the employment contract. Departments should complete the Authorization for Moving Expense Reimbursement Form and obtain prior written approval from their respective Vice President (or designate). Departments reporting directly to the President should obtain prior written approval from the President (or designate).**

Eligible expenses and their taxability are listed below. Reimbursement for allowable moving expenses to the employee, both taxable (Account 521055) and non-taxable (Account 521050), are required to be reported to the Internal Revenue Service and are included on the employee's W-2. IRS regulations require the university to withhold income tax, social security tax and Medicare tax from reimbursements and allowances for nondeductible moving expenses. Taxes are withheld from a paycheck issued after receiving reimbursement for moving expenses. It is the employee's responsibility to contact the Payroll Office to discuss options available for W-4 changes, which determines the taxable rate used to calculate the withholding.

Only those expenses listed below are allowable. The original of the completed Authorization for Moving Expense Reimbursement Form and a copy of the Employment Contract should be attached to either the Voucher, Purchase Requisition or Receiving Report.

PURPOSE / TYPE OF EXPENSE	TAXABILITY		RESTRICTIONS	OTHER INFO
	Taxable 521055	Non-Taxable 521050		
<b>Pre-move/House Hunting</b>				
AIRLINE	X		Limited to 1 round-trip for employee & spouse.	Original passenger coupon or paid invoice required.
LODGING	X		Limited to 3 nights lodging for employee & spouse.	Original, itemized, paid lodging receipt required. Room and room tax only.
MEALS	X		Limited to 3 days per diem for employee & spouse.	No receipts required. Use current GSA rate for previous night's lodging location.
PERSONAL VEHICLE MILEAGE	X		Limited to 1 round trip to new work location.	No receipts required. Document miles from prior residence to new work location. Reimbursement payable up to current IRS mileage rate.
MISCELLANEOUS taxi, parking, car rental	X		Limited to 3 days.	Original, paid receipts required.
<b>Moving Personal Goods/Furnishings</b>				
MOVING VAN LINE		X	Limited to invoice cost <sup>3</sup> *insurance on moving van is NOT allowable	Original, paid receipt for Request for Payment or original invoice for Receiving Report required. <sup>1</sup>
RENTAL VAN		X	Limited to invoice cost <sup>3</sup> *insurance on moving van is NOT allowable	Original, paid receipts for rental of van and actual gas expenses required.
MISCELLANEOUS boxes, strapping tape		X	Limited to invoice cost.	Original, paid receipts required.
<b>Moving Expense/Personal Travel</b>				
LODGING		X	Limited to actual expenses incurred by employee and immediate family <u>en route</u> to new work location. <sup>2</sup>	Original, itemized, paid lodging receipt required. Room and room tax only.
PERSONAL VEHICLE MILEAGE	Amount exceeding \$ .17/mile.	First \$ .17/mile.	In-state travel limited IRS rates and out-of-state travel limited to \$.17/mile. [Also follow 300 mile radius limit for current mileage reimbursement.] - <b>Rates are subject to change.</b>	No receipts required. Document highway miles from prior residence to new work location.
MEALS	X		Limited to employee per diem rate for both the employee and immediate family while en route to new work location. <sup>2</sup>	No receipts required. Use current GSA rate for previous night's lodging location.
AIRLINE		X	Limited to one-way trip for employee and immediate family.	Original passenger coupon or paid invoice required.
MISCELLANEOUS taxi, parking, etc.		X	Limited to actual expenses incurred by employee and immediate family while en route to new work location. <sup>2</sup>	Original, paid receipts required.
<b>Temporary Living Quarters</b>				
LODGING	X		Limited to employee in-state rates incurred by employee and immediate family at new work location. <sup>2</sup>	Original, itemized, paid lodging receipt required. Room and room tax only. Limited to 90% of ND GSA rate, plus applicable taxes.
MEALS	X		Limited to employee per diem rate for both the employee and immediate family. <sup>2</sup>	No receipts required. Use current employee per diem rate for previous night's lodging location.
MISCELLANEOUS taxi, parking, etc.	X		Limited to actual expenses incurred by employee and immediate family. <sup>2</sup> Rental car not allowed.	Original, paid receipts required.

\*\*\*\*\* For allowability, all receipts must be in employee's name.

1 - Contact Purchasing Office for available contracts and potential cost savings for moving expenses.

2 - Maximum number of days for both travel time and temporary living quarters is 10 days.

3 - If moving within the system, and a combination of moving van(s) is used, total is NOT to exceed 11,000 lbs.

4 - Effective January 1, 2016 rate is 17 cents per mile for non-taxable mileage. (Rate is subject to change)