



Oakland University

Administrative Policies and Procedures

SUBJECT: MOVING EXPENSES

NUMBER: 257

AUTHORIZING BODY: PRESIDENT'S CABINET

RESPONSIBLE OFFICE: VICE PRESIDENT FOR FINANCE AND ADMINISTRATION

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RATIONALE: To provide guidelines for the eligibility, approval, and reimbursement of Employee Moving Expenses.

POLICY: Oakland University will, at the discretion of each Vice President, reimburse reasonable and appropriate moving expenses for certain Employees as noted below who meet certain Internal Revenue Service (IRS) rules.

SCOPE AND APPLICABILITY: Moving expenses must be funded within the hiring unit's resources and the maximum amount allowable is the equivalent of one month's salary of the individual. Only new deans, academic administrators, and executives are eligible, as determined by the University's Employee classes.

DEFINITIONS:

PROCEDURES:

I. Taxing Reimbursement

Reimbursement of expenses that are classified as deductible moving expenses under the Internal Revenue Code are treated as non-taxable income provided the Employee meets certain federal time and distance standards.

Nondeductible moving expenses are considered additional compensation to the new Employee and will be reported as wages. All appropriate taxes will be withheld.

IRS rules for taxing reimbursements change from time to time. Employees should check with a tax accountant, tax attorney, or refer to the tax laws for appropriate tax information, since some moving expenses are not deductible or may be subject to limitations for tax purposes.

II. Deductible Expense Reimbursement (Non-taxable Income not subject to withholding)

A. Cost of transporting household goods and personal effects

- Cost of a moving company
- Cost of a truck rental in a self directed move
- Actual fuel expenses in a self directed move, OR the standard federal mileage rate for moving expenses
- Parking fees and tolls while in transit
- The cost of packing, crating, and transporting household goods
- The cost of shipping the Employee's car and household pets to the new home
- The cost of connecting or disconnecting utilities because appliances were moved
- The cost of storing and insuring household goods within any period of 30 consecutive days after the Employee's belongings are moved from the former home and before they are delivered to the new home.

B. Travel expenses for the Employee & members of household (one trip per person, and you do not have to travel together or at the same time)

- Airfare (coach)
- Lodging while in transit (one night at the old location & one night upon arrival)
- Actual fuel purchases OR the standard federal mileage rate for moving expenses
- Parking fees and tolls while in transit

Other deductible expenses may be allowable per IRS Publication 521, Moving Expenses. For more information see the [IRS Web site](#).

III. Nondeductible Expense Reimbursement (Taxable Income subject to withholding)

Certain reimbursable expenses related to moving and relocation are considered as taxable

income subject to withholding. These expenses include but are not limited to meals connected with the move, pre-move house hunting expenses, temporary living expenses, real estate expenses, storage more than 30 days after moving into the residence, and mileage reimbursement in excess of the federal moving expense mileage rate.

IV. Payment Procedures

The maximum amount of moving expenses reimbursable by Oakland University should be pre-approved by a respective Vice President and included in the employment offer letter. The Employee must complete a Payment Voucher (PV) with a completed Moving Expense Reimbursement Summary ([Appendix 257.1](#)), attach all original receipts, and submit the approved voucher and summary for reimbursement to the Accounts Payable Office.

RELATED POLICIES AND FORMS:

APPENDIX:



[Return to Table of Contents](#)