

UNIVERSITY OF RICHMOND

Relocation Reimbursement Guidelines

The following are guidelines for relocation (moving) expenses reimbursed by the University of Richmond for the actual move to Richmond, based on the amount stated in the individual's appointment letter.

The IRS allows moving expenses for employees and members of their household (excluding their employees, i.e. nannies, maids, cooks, etc.) if they meet the following conditions:

- Moving expenses must be incurred within 1 year of the date of employment.
- The employee's **new** job location (University of Richmond) must be at least 50 miles further from the employee's **previous** home than their **previous** job location.
- The employee must work fulltime at least 39 weeks during the first 12 months he/she arrives in the new area.

There are 2 categories of moving expenses: non-taxable and taxable. Non-taxable expenses are reimbursed by Accounts Payable; whereas, taxable expenses are reimbursed by the Payroll Office. The IRS requires that all moving expense reimbursements be reported on the employee's W2, regardless of whether or not they are taxable. If a moving expense is paid directly to a third party, such as a moving company, that payment is not reported on the employee's W2, since the money never went to the employee.

Non Taxable Moving Expenses

(These are the expenses that the IRS allows for relocation. These expenses are not taxable to the employee and will be reimbursed through the Accounts Payable Office)

- Truck rental or van line moving company expenses*
 - moving of household goods and personal effects for yourself and members of your household (excluding employees)
 - packing, shipping, or crating costs of personal effects
- Manual labor assistance to load and unload truck
- Packing materials
- Storing and insuring household goods and personal effects that occur within 30 consecutive days of moving from your old residence to your new residence
- Transportation costs (airfare, train, car rental) for yourself and members of your household (please note: only one trip to your new home, per household member, is allowed as non-taxable; however, all members of your household do not have to travel together or at the same time)
- Overnight lodging en route when traveling great distances
- Actual gas receipts for personal vehicles or rental vehicles
- Tolls, parking fees
- Costs related to connecting/disconnecting utilities

*It is to the employee's advantage to have the University pay carriers/vendors directly. Doing this prevents the reimbursement from being reported on the employee's annual W-2 Form.

Taxable Moving Expenses

(If the University allows the following items, the IRS requires they be considered taxable income; therefore, these items will be reimbursed through the Payroll Office and taxes withheld)

- Return trips to your former residence
- Travel expenses for preliminary trips to the area for house hunting and any other related expenses when visiting the area, including lodging
- Temporary housing/living expenses
- Car rental (except if the car is used as transportation to the area, for the move)

- Meal expenses in route
- Room service
- Long distance telephone calls
- Storage charges that occur more than 30 days after your move

Non-reimbursable Items

(Items that will not be reimbursed by the University include, but are not limited to, the items listed below):

- Utility company deposits
- Expenses of buying or selling a home
- Car tags
- Driver's license fees
- Real estate taxes
- Security deposits
- Alcoholic beverages
- Kennel boarding
- Any other items not specifically listed in the "Taxable" / "Non-Taxable" sections of the guidelines

Procedures to Get Reimbursed

To request reimbursement for moving expenses, the employee must complete the Relocation Reimbursement Request Form and attach original receipts. Receipts must be provided for all expenses (***Receipts must be submitted within 60 days of completion of the move, in accordance with IRS regulations. After 60 days, all expenses will be considered taxable income and will be processed by the Payroll Office and taxes withheld.***)

Accounts Payable will process all "**non taxable**" expenses and forward any "**taxable**" expenses to the Payroll Office for processing. For any reimbursements processed, Accounts Payable will provide a copy of the reimbursement to the Payroll Office to be included on the employee's W2. (The IRS requires that all items processed as reimbursements of relocation expenses must be reported on an employee's W2.) For those items considered "taxable", taxes will be withheld from the payment.

Faculty Positions

The dean's offices must approve all relocation requests for its faculty members. The Relocation Reimbursement Request must be completed as indicated above, and forwarded to the appropriate dean's office. Any invoices received from vendors, such as moving vendors, must also be approved by the dean's office. Upon approval, the dean's office will assign the departmental index to be charged and forward the form and/or invoices to Accounts Payable for processing.

Staff Positions

The hiring department must approve relocation requests for their staff members. The Relocation Reimbursement Request must be completed as indicated above, and forwarded to the appropriate approver in the hiring department. Any invoices received from vendors, such as moving vendors, must also be approved by the hiring department.

Upon approval, the department forwards the Reimbursement Relocation Request and/or vendor invoices to Accounts Payable for processing. For all staff positions, except Athletic coaches, Accounts Payable will code the invoice to the institutional support accounting distribution and will process the request for payment.

For **coaching positions**, the Athletic Department will approve the Reimbursement Relocation Requests, indicate which of their indices to charge, and forward the requests to Accounts Payable for processing.

If you have any questions regarding acceptable expenses, please contact Jean Hines, Accounts Payable Manager at (804) 289-8181 or jhines@richmond.edu .

Please note: the employee will not be reimbursed until after their first work day at the University; therefore, the employee should not submit the requests until then.

For questions regarding Household Moving Agreements, please contact Procurement Services, as indicated below:

Jerry Robinson, Purchasing Agent, (804) 289-8891 or jrobins3@richmond.edu

Elaine Pierpont, Assistant Director, Procurement Services at (804) 289-8161 or epierpon@richmond.edu