



# Relocation Expenses Policy 2.30

## Office of Human Resources

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Applies to: Faculty and staff

### POLICY

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Issued: 10/01/1973  
Revised: 01/22/2001  
Edited: 01/01/2009

Relocation expenses for new regular faculty and staff may be provided if funds are available in the department or college budget. The employing unit, in consultation with their college and the Office of the Controller, [Payroll Services](#), may extend relocation benefits to other appointments when it is appropriate (e.g. Post Doctoral Researchers). The employing unit and the following policy guidelines (subject to [Internal Revenue Service](#) regulations) will determine the total amount provided for relocation.

### Policy Details

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#### I. Taxing Reimbursement

Reimbursement of expenses, defined as "qualified" and "non-qualified" in accordance with current IRS regulations, may be made. Reimbursement of non-qualified expenses is subject to withholding of applicable income and employment taxes. Reimbursements are reported on the annual Form W-2. Guidelines in this policy are current as of the revision date of this policy, and outline IRS rules for taxing reimbursement

#### II. Guidelines for Reimbursement

IRS guidelines for reimbursement require that the distance between the old home and the new place of work be at least 50 miles greater than the distance between the old home and the old place of work. If the distance test is not met, then moving reimbursements will be reported as taxable income subject to applicable income and employment taxes.

#### III. Reimbursable Expenses

##### A. Qualified reimbursable expenses (not subject to tax withholding)

1. Commercial moving company
2. Charges for packing, crating, mailing and/or shipping household goods; and other miscellaneous packing supplies
3. Optional insurance on items such as furniture, clothing, and utensils
4. Rental truck
5. In-transit storage for up to 30 consecutive days
6. Shipment of car(s), if not used in the move
7. Travel and lodging costs for one trip (employee and family) from the old residence to the new residence, which may include:
  - a) Actual gas cost, based upon receipts or IRS current rate for personal or rental vehicles as indicated on the [Relocation Request Form](#)
  - b) Lodging in transit, follow current federal [per diem rates](#) for the cities involved
  - c) Airfare (coach only)



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- d) Rental car (economy); in certain circumstances a larger vehicle may be rented with documented advance department approval
  - e) Tolls, taxi, limousine, or parking
  - f) Pet shipping charges
- B. Non-qualified reimbursable expenses (subject to tax withholding)
- 1. Travel and lodging costs incurred during additional trips from the old residence to the new residence.
  - 2. Cost of meals at any point in the relocation process. Follow current federal [per diem rates](#) for meals and incidental expenses. Meal receipts are not required.
  - 3. House hunting expenses (one trip, not to exceed five days) may include:
    - a) Actual gas cost, based upon receipts or IRS current rate for personal or rental vehicles
    - b) Lodging, follow current federal [per diem rates](#) for the city involved
    - c) Airfare (coach only)
    - d) Rental car (economy); in certain circumstances a larger vehicle may be rented with documented advance department approval
    - e) Tolls, taxi, limousine, or parking
  - 4. Temporary housing.

#### IV. Non-Reimbursable Expenses

- A. Expenses not paid by the university include:
- 1. Storage (excluding 30 days in transit)
  - 2. Meals and travel costs incurred by laborers
  - 3. Expenses incurred by persons not considered to be dependents for tax purposes
  - 4. Costs related to immigration
  - 5. Utility and telephone installation charges
  - 6. Loss of security deposits
  - 7. Real estate expenses
  - 8. Postage costs for realty and mortgage documents
  - 9. Personal telephone calls, tips, movies, or other entertainment
  - 10. Extraordinary items requiring special handling (e.g., boats)
  - 11. Bank fee for cashier's checks

#### V. Payment of Moving Expenses

- A. A cash advance may be issued to the individual prior to the move. All applicable income and employment taxes will be deducted from the payment and the payment will be reported as taxable wages on the annual Form W-2. The employee should retain documentation of expenses for tax filing purposes.



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- B. Payment for shipping of household goods, as provided in these guidelines, may be processed as individual reimbursements, individual cash advances, or direct payment to the carrier(s) via purchase orders.
- C. Reimbursement of qualified moving expenses may be excluded from taxable income if distance conditions are met.

## VI. Payment of Expenses for Business Trips and/or House Hunting Trips

- A. House hunting expenses, such as airline costs, hotels, or auto rental agencies are paid only through the reimbursement process. This is taxable income.
- B. Reimbursement of expenses incurred during business trips, which may also include house hunting, is not taxable income. These expenses are processed in accordance with university guidelines.

## PROCEDURE

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Relocation expenses and payment options should be negotiated with the new faculty or staff member during the hiring process. The [letter of offer](#) should specify the payment option selected and define the maximum amount. It is important to inform the new employee that applicable taxes are withheld for "non-qualified" expenses as defined in the policy. A copy of this policy should also be provided with the letter of offer. Call the Office of the Controller, [Payroll Services](#), for clarification or assistance.

## Responsibilities

Position or Office	Responsibilities
<b>I. Cash Advance Option</b>	
Employing unit	<ul style="list-style-type: none"> <li>A. Process the appointment in the HR System.</li> <li>B. Submit the <a href="#">letter of offer</a> to the Office of the Controller, <a href="#">Payroll Services</a>.</li> <li>C. Complete the online <a href="#">Relocation Check Request</a>.</li> <li>D. The Office of Human Resources will not require documentation of specific expenses; however, it is recommended that the department or employee retain copies.</li> </ul>
Office of Human Resources	<ul style="list-style-type: none"> <li>A. Complete the online Request for Off Cycle Check.</li> <li>B. Issue the cash advance payment within five business days.</li> <li>C. Withhold applicable income and employment taxes.</li> <li>D. Report cash advance on the annual Form W-2.</li> </ul>
<b>II. Reimbursement Option</b>	
Employee	<ul style="list-style-type: none"> <li>A. Complete the <a href="#">Relocation Request Form</a>.</li> <li>B. Submit original itemized receipts (receipts not required for mileage and/or meal reimbursement) to the employing unit. The Office of the Controller, <a href="#">Payroll Services</a>, will return all original receipts to the employee for tax filing purposes; however, it is strongly recommended that the employing unit or the employee retain copies.</li> </ul>



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Employing unit	<p>A. Process the appointment in the HR System.</p> <p>B. Review relocation documentation for appropriate signature and compliance with university policy and IRS requirements.</p> <p>C. Submit the <a href="#">letter of offer</a>, the completed <a href="#">Relocation Request Form</a> with original itemized receipts and <a href="#">Relocation Check Request Form</a> to the Office of the Controller, <a href="#">Payroll Services</a>, as soon as possible. If reimbursement is submitted after the initial 12 months of employment, then written explanation of the delay must accompany the request.</p>
Office of Human Resources	<p>A. Calculate tax-reporting requirements on non-qualified expenses, and withhold applicable income and employment taxes from the payment.</p> <p>B. Issue the reimbursement payment within five business days.</p> <p>C. Return original receipts directly to employee.</p> <p>D. Report taxable reimbursements on the annual Form W-2.</p> <p>E. Retain documentation for audit purposes.</p>

### III. Direct Payment Option

Employing Unit	A. Issue a purchase order for direct payment of commercial carriers for moving expenses.
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### Resources

Subject	Office	Telephone	E-mail/URL
Policy clarification	Payroll Services, Office of the Controller	614-292-2311	<a href="mailto:payrolloffice@osu.edu">payrolloffice@osu.edu</a> <a href="http://controller.osu.edu/pay/pay-home.shtm">controller.osu.edu/pay/pay-home.shtm</a>
Travel policies & practices	Travel Office, Business Operations	614-292-9290	<a href="http://controller.osu.edu/travel/travel-home.shtm">controller.osu.edu/travel/travel-home.shtm</a>

### Forms:

- Relocation Request Form [controller.osu.edu/forms/payroll/RelocReq.pdf](http://controller.osu.edu/forms/payroll/RelocReq.pdf)
- Relocation Check Request Form [controller.osu.edu/forms/payroll/RelocCheckReq.pdf](http://controller.osu.edu/forms/payroll/RelocCheckReq.pdf)

### More information:

- Request for Off-Cycle Check (online process) [hr.osu.edu/payroll/offcyclelogin](http://hr.osu.edu/payroll/offcyclelogin)
- Internal Revenue Service (IRS) [irs.gov](http://irs.gov)
- University Travel Policy [busfin.osu.edu/FileStore/PDFs/211\\_Travel.pdf](http://busfin.osu.edu/FileStore/PDFs/211_Travel.pdf)
- Travel Rates Per Diem [controller.osu.edu/travel/travel-perdiem.shtm](http://controller.osu.edu/travel/travel-perdiem.shtm)
- Sample Letters of Offer [hr.osu.edu/hrpubs/offer/olmain](http://hr.osu.edu/hrpubs/offer/olmain)



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### History

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