



Applies to: Faculty and staff

Responsible Office

Office of Human Resource

POLICY

Issued: 10/01/1973

Interim Revised: 02/15/2018

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 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 will determine the total amount provided for relocation.

Purpose of the Policy

To establish requirements regarding the administration of relocation assistance offered to new hires.

Policy Details

- I. Taxing Reimbursement
 - A. Reimbursements of all relocation expenses are included in an employee's taxable compensation and subject to withholding of applicable income and employment taxes at the current supplemental tax rate.
 - B. Reimbursements are reported on the employee's annual Form W-2. Guidelines in this policy are current as of the revision date of this policy.
- II. Reimbursable Expenses
 - A. Reimbursable expenses include (treated as compensation and 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](#)
 - b. Lodging in transit, follow current federal [per diem rates](#) for the cities 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
 - f. Household pet shipping charges
 - g. Travel and lodging costs incurred during additional trips from the old residence to the new residence.
 - h. 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.
 - i. House hunting expenses (one trip, not to exceed five days) which may include:
 - i. Actual gas cost, based upon receipts or IRS current rate for personal or rental vehicles
 - ii. Lodging, follow current federal [per diem rates](#) for the city involved
 - iii. Airfare (coach only)



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- iv. Rental car (economy); in certain circumstances a larger vehicle may be rented with documented advance department approval
 - v. Tolls, taxi, limousine or parking
 - j. Temporary housing
- III. 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
 12. Any other expenses not explicitly permitted by this policy
- IV. Payment of Moving Expenses
- A. Reimbursable expenses under this policy may be paid by cash advance, reimbursement of expenses paid by the employee, or direct payment to the vendor via purchase orders.
 - B. A cash advance may be issued to the individual prior to the move. All applicable income and employment taxes at the current supplemental tax rate will be deducted from the payment and the payment will be reported as taxable wages on the annual Form W-2.
- V. 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.

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 at the current supplemental rate are withheld for reimbursable expenses under this policy. A copy of this policy should also be provided with the letter of offer. Call [Payroll Services](#) for clarification or assistance.

Responsibilities

Position or Office	Responsibilities
I. Cash Advance Option	
Employing unit	<ol style="list-style-type: none"> 1. Process appointment in the HR System. 2. Email letter of offer and completed online Relocation Check Request to Payroll Services, at taxoffice@osu.edu. 3. Retain copies of all documentation for audit purposes.
Payroll Services	<ol style="list-style-type: none"> 1. Issue cash advance payment on the next regular pay cycle. 2. Withhold applicable income and employment taxes at the current supplemental rate. 3. Report cash advance on the annual Form W-2.
II. Reimbursement Option	



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Employee	<ol style="list-style-type: none"> 1. Complete Relocation Request and submit to the employing unit. 2. Submit original itemized receipts to the employing unit. Receipts are not required for mileage or meal reimbursement. On-line driving directions may be supplied to support mileage claimed. 3. Retain copies of all documentation for audit purposes.
Employing unit	<ol style="list-style-type: none"> 1. Process appointment in the HR System. 2. Review relocation documentation for compliance with university policies, IRS requirements and necessary signatures. 3. Email letter of offer and completed Relocation Request with clear, readable, itemized receipts to Payroll Services at taxoffice@osu.edu as soon as possible. If scanned items are not readable original receipts will be required and not returned and reimbursement processing may be delayed. Reimbursement requests submitted after the initial 12 months of employment must include a written explanation of the delay.
Payroll Services	<ol style="list-style-type: none"> 1. Issue reimbursement payment with the next regular pay cycle. 2. Withhold applicable income and employment taxes at the current supplemental rate. 3. Report reimbursements on the annual Form W-2. 4. Retain documentation for audit purposes.

III. Direct Payment Option

Employing Unit	<ol style="list-style-type: none"> 1. Issue a purchase order for direct payment of commercial carriers for moving expenses. 2. Email Payroll Services with employee information and purchase order number.
Payroll Services	<ol style="list-style-type: none"> 1. Withhold applicable income and employment taxes at the current supplemental rate. 2. Report direct payments on the annual Form W-2. 3. Retain documentation for audit purposes.

Resources

Forms

Relocation Check Request form, busfin.osu.edu/sites/default/files/reloccheckreq.pdf

Relocation Request form, busfin.osu.edu/sites/default/files/relocreq.pdf

Governance Documents

Internal Revenue Service (IRS), irs.gov

Travel Policy 2.11, busfin.osu.edu/sites/default/files/211_travel.pdf

Travel Rates Mileage and Per Diem, osutransport.osu.edu

Contacts

Subject	Office	Telephone	E-mail/URL
Policy clarification	Payroll Services, Office of the Controller	614-292-2311	taxoffice@osu.edu
Travel policies and practices	Travel Office	614-292-9290	osutransport.osu.edu

History

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