**Moving Policy**

**I. Date of Initiation/Revision**

January 10, 2018

**II. Policy Classification**

Senior Vice President for Administration and Finance and CFO – Controller’s Office (Finance Department)

**III. Policy Statement**

This policy promotes the proper stewardship of University funds by providing general guidelines for the appropriate and legal uses of University funds in support of the University's missions. The University receives, from a variety of sources, funds that carry with them fiduciary responsibilities. Inherent in these responsibilities are the requirement to operate the institution under guidance set forth by the University's Board of Trustees, to properly safeguard and protect University assets, and to comply with all federal, state, and local laws and regulations. This policy contemplates also that certain institutional duties and responsibilities have been delegated to the operating units (department/division) of the University involved in the conduct of business and to display sound ethical business practices in carrying out these responsibilities. This policy will adhere to and be in conformity with relevant Internal Revenue Service (IRS) rules/regulations at all times and subject to change as IRS rules change

**IV. Policy Summary and Definitions**

**Summary:  
The Internal Revenue Code that provided an exclusion from employees’ income for qualified moving expense payments and reimbursements made by employers has been suspended, except for military-related moving expenses, for tax years 2018 through 2025.**

All moving expenses reimbursed beginning January 1, 2018 will be taxable to the employee and subject to tax withholding.  Accordingly, beginning on 1/1/2018, all reimbursements of moving expenses to current or prospective employees should be reported to Payroll using a 211 form so that the appropriate taxes may be withheld from employee paychecks.  This is true even if the expenses were incurred in a prior year, and the employee is not reimbursed until 2018.  The University does not gross up any expense reimbursements to account for tax withholdings incurred on reimbursed expenses that are deemed taxable by the IRS.

Since all moving expenses are taxable income, there are no advances to employees for these expenses.

**V. Related Policies**

The moving mileage reimbursement rates have been removed from the [Mileage Reimbursement](http://www.rochester.edu/adminfinance/finance/policies/mileage.html) policy since all moving expenses must be reimbursed as extra compensation.

**VI. Responsibilities**

**Central Finance Department  
Reporting Requirements**: Pursuant to tax regulations, the University reports taxable income payments on the employee's form W2 to the IRS.  These payments are subject to tax withholding.

**Department/Moving Employee  
Payment of moving company expenses:** The appointee (moving employee) is fully responsible for payment of moving company charges. University purchase orders are not to be used for paying personal moving expenses. The University will not participate in direct payment to a moving company for household goods and personal effects.

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