

LUTHER COLLEGE

POLICIES AND PROCEDURES

Department:	Human Resources
Subject:	Moving Expenses for New Faculty and Staff
Date Issued:	January 1, 2013
Updated and Reviewed By:	Finance & Administration Team – April 29, 2021
Approved By:	Reviewed by Cabinet, Approved by President, July 7, 2021

I. Policy

This policy outlines the guidelines for reimbursing faculty and staff moving expenses.

II. Scope

This policy applies to new faculty, exempt and non-exempt staff who are eligible for reimbursement of moving expenses.

III. Terms and Definitions

- New regular employee – Used to define faculty and staff. Temporary employees are not eligible for the moving expense reimbursement.

IV. Eligibility

Criteria for eligibility for reimbursement of moving expenses include the following:

- New regular employees must move at least 50 miles to be eligible for this benefit.
- Moving expenses must generally be incurred within one year of the date of employment.
- The moving expense payment/reimbursement category of the new employee is normally indicated in the offer letter.
- The Vice President of Finance and Administration or the Provost of the College must approve exceptions to this policy.

V. Procedures and Guidelines

The college will reimburse reasonable expenses according to IRS Publication 521 guidelines available on the HR website (<https://www.luther.edu/hr/faculty-staff/policies/>)

A. Eligible moving expenses

- Employees will pay for expenses incurred.
- Employees will complete a Moving Expense Form for eligible expenses as per IRS guidelines, including:
 - o Motel/hotel charges
 - o Moving truck rental
 - o Toll charges
 - o Gasoline
 - o Labor incurred to pack and unload

- o Packing materials
- B. Expense forms to be used
 - Original receipts should be included with the Moving Expense Form.
 - If the original receipt is not available, a Missing Receipt Form should be completed.
 - Form is available at <https://www.luther.edu/financial-services/fac-staff/purchasing/>
- C. Approval process
 - The Director of Human Resources will approve expense form and forward to the Payroll Specialist for processing through payroll.
 - The total reimbursement amount will be included in the employee's year-end W-2.
- D. Normal rates of reimbursement
 - \$750 maximum for faculty and staff relocating from at least 50 and up to 250 miles of Luther College
 - \$1,500 maximum for faculty and staff relocating from greater distances
 - The President and select senior leaders will be reimbursed for actual, reasonable moving expenses

VI. Confidentiality and Record

The paper documentation is kept in the employee's payroll file.

Moving Expense Form For Faculty and Staff Positions

Employee Name: _____ ID# _____

Employee New Address: _____

Luther College reimburses employees for the following moving expenses: cost of moving van, cost of rental equipment (such as trailers or trucks), gas for rental truck, other expenses such as rental of loading equipment or labor involved in loading or unloading household goods. Luther College **does not reimburse:** expenses for meals; pre-move house hunting trips; cost of selling or settling an unexpired lease on the previous residence and buying (or acquiring a lease on) the new residence; or expenses incurred during a stay in temporary quarters for up to 30 days. Reimbursement of moving expenses are a taxable fringe benefit and subject to Social Security, Medicare, Federal and State withholdings. Taxable fringe benefits are included on the employee's W-2 form.

Date(s) of Move: _____

Moved from: _____ To: _____

Cost of moving van: _____

Cost of rental equipment (truck or trailer): _____

Gas per IRS Guidelines (see reverse side): _____

Labor for loading and unloading: _____

Rental of moving equipment or cartons: _____

Cost of mailing books, when applicable: _____

Hotel/motel charges: _____

Other reasonable expenses: _____

Total: _____

Authorized by: _____

Account #: _____

If you meet the requirements under *Who Can Deduct Moving Expenses* on the IRS website, you can deduct the reasonable expenses of:

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- Moving household goods and personal effects (including in-transit or foreign-move storage expenses), and
- Traveling (including lodging but not meals) to your new home.
- **Caution:** You cannot include any expenses for meals.

Reasonable expenses. Only expenses that are reasonable for the circumstances of the move are considered to be eligible for reimbursement. For example, the cost of traveling from your former home to your new one should be by the shortest, most direct route available by conventional transportation. If during your trip to your new home, you stop over, or make side trips for sightseeing, the additional expenses for your stopover or side trips are not allowable as moving expenses.

Travel by car. If you use your car to take yourself, members of your household, or your personal effects to your new home, you can figure your expenses by using either:

- Your actual expenses, such as the amount you pay for gas and oil for your car, if you keep an accurate record of each expense, or
- The standard mileage rate per federal guidelines.
- Whether you use actual expenses or the standard mileage rate to figure your expenses, you can include the parking fees and tolls you pay to move. You cannot include any part of general repairs, general maintenance, insurance, or depreciation for your car.

Member of your household. You can include moving expenses you pay for yourself and members of your household. A member of your household is anyone who has both your former and new home as their home.

Household goods and personal effects. You can include the cost of packing, crating, and transporting household goods and personal effects and those of the members of your household from your former home to your new home. For purposes of moving expenses, the term “personal effects” includes, but is not limited to, movable personal property that the taxpayer owns and frequently uses.

- If you use your own car to move your things, see *Travel by Car* section of this form.
- You can include any costs of connecting or disconnecting utilities required because you are moving your household goods, appliances, or personal effects.
- You can include the cost of shipping your car and your household pets to your new home.
- You can include the cost of moving your household goods and personal effects from a place other than your former home. The amount is limited to the amount it would have cost to move them from your former home.
- **Caution:** You cannot include the cost of moving furniture you buy on the way to your new home.

Storage expenses. You can include the cost of storing and insuring household goods and personal effects within any period of 30 consecutive days after the day your things are moved from your former home and before they are delivered to your new home.

Travel expenses. You can include the cost of transportation and lodging for yourself and members of your household while traveling from your former home to your new home. This includes expenses for the day you arrive. You can include any lodging expenses you had in the area of your former home within one day after you could no longer live in your former home because your furniture had been moved. The members of your household do not have to travel together or at the same time. However, you can only include expenses for one trip per person.