



already living less than seventy-five (75) miles from their new employment location.

The moving and relocation allowance must be included in the new employee's offer letter along with a reference and link to this policy. Accepted offers of employment without the written moving and relocation allowance in the initial offer cannot be subsequently requested by the unit or employee.

### **III. PROCESS OVERVIEW**

#### **A.**

recreational vehicles.

### **C. Payment of Moving and Relocation Allowances**

The moving and relocation allowance request must be submitted to the payroll office within normal processing deadlines. The allowance, net of required taxes withheld, will be paid after the employee's official start date on the normal payroll cycle after all approvals are completed. Exceptions to this timeline requires approval from the divisional Dean or Senior Vice Chancellor.

In certain situations, the new employee may have their moving and relocation expenses paid directly by the University to an approved third-party common carrier. Amounts paid through these arrangements will be reported as taxable income to the employee on the next regular payroll cycle after the employee's official start date.

### **D. Tax Reporting Requirements**

As a result of the Tax Cuts and Jobs Act of 2017, the federal income tax deduction for "qualified moving expenses" was eliminated. Amounts paid directly to employees for moving and relocation expenses, and amounts paid on behalf of employees to third-party vendors are now treated as taxable income subject to regular income and payroll taxes. This policy prohibits the reimbursement for any tax liabilities ("grossing-up") incurred by the employee as the result of receiving a moving and relocation allowance.

## **IV. DEFINITIONS**

**Grossing Up** - A gross-up