

deduct that amount and attach a personal check for it or use another source of funds to pay it other than TAMU.

I.B.26 MOVING EXPENSES (REV. 09/01/09)

New Employee Moving Expenses

Both Qualified and Non-Qualified moving expenses for new TAMU employees must be paid from local funds. In order to pay for moving expenses for new state employees these expenses must be made under a valid reimbursement plan that requires that original receipts be obtained. These expenses are exempt from TAMU purchasing guidelines. To qualify as a moving expense, the new job location must be at least 50 miles farther from the old residence than the old job location was from the old residence. Where an employee did not have a former place of work, then the new job location must be at least 50 miles from the old residence. In addition, the employee must generally be employed full-time by the same employer for at least 39 weeks during the 12-month period immediately following arrival at the location.

Qualified Moving Expenses

Qualified moving expenses are:

travel (including lodging but not meals) to the new residence; and moving of household goods and personal effects, which include rental of moving vehicles or paying a moving company, boxes, tape, packaging material, etc.

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 deducting **either**:

- Your **actual expenses**, such as gas and oil for your car if you keep an accurate record of each expense; or
- The **standard mileage rate** the mileage rate can be found in the IRS publication 521 subsection Deductible Moving Expenses: <http://www.irs.gov/pub/irs-pdf/p521.pdf> . For the most current news and updates, please go to <http://www.irs.gov/newsroom/article/0,,id=200505,00.html>.

Qualified moving expenses should be coded 1925 and are not taxable to the employee. Some examples of qualified moving expenses are transportation to the new home for the employee and immediate family members, movers, hotel costs while driving to the new home, and rental of a moving truck.

Non-Qualified Moving Expenses

Non-qualified moving expenses should be coded 1926 and are taxable income to the employee. A “Request for Tax Withholding” form must be submitted with the voucher. Some examples of non-qualified moving expenses are house-hunting trips and all expenses associated with that trip, meals, temporary lodging while finding a place to live, car rental at the new home city, and temporary storage. Amounts received by an employee as payment for, or reimbursement of, moving expenses which are attributable to employment, must be included in gross income as compensation for services except where deductible as qualified moving expenses.

Please refer to IRS publication 521 located at <http://www.irs.gov/pub/irs-pdf/p521.pdf>. If you have any questions please contact IR Auditor at AggieAnswers for a quick answer. ir@tamuds.tamu.edu

Current TAMU Employees

Texas A&M University may use any source of funds to pay the reasonable, necessary, and resulting costs of moving the household goods and effects of a Texas A&M University employee. However, state funds can only be used if we are transferring one of our own employees and the costs are payable only if all of the following apply:

- 1) the employee is being transferred from one designated headquarters to another within the same agency.
- 2) the agency determines that the transfer is in the best interests of the state.
- 3) the distance between the boundaries of the two designated headquarters is at least 25 miles.

State-owned equipment must be used to move the household goods and effects of the transferring employee. However, if state-owned equipment is not available a state agency may pay for the services of a commercial transportation company or for self-service vehicles to make the move. A state agency may directly pay a commercial transportation company or the owner of a self-service vehicle instead of reimbursing a state employee.