

# NEW EMPLOYEE MOVING POLICY

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## **NEW EMPLOYEE MOVING POLICY**

### **Procedure**

The University may reimburse for reasonable expenses for a newly hired faculty or staff member to move from their former residence (outside a 50 mile radius of the primary job location) to their new residence. Departments wishing to pay moving expenses for new employees may pay full or partial expenses, provided the funds are available in their budget. The allowable moving expense amount must be referenced in the offer letter to the employee, and the offer letter must reference any expenses that are not normally reimbursed. All moving reimbursements should be submitted within 90 days of the employee's initial start date.

### **General Information**

USM has an established pricing agreement with Armstrong Relocation-United Van Lines ([www.usmrelocation.com](http://www.usmrelocation.com)) which provide many benefits and substantial discounts to a new employee. The new employee is responsible for contracting for his or her own move. The move itself is solely the responsibility of the new employee. The contract for the move, along with any problems that may result from the move, is between the employee and the moving company. The moving company is only authorized to transport household goods in accordance with the provisions outlined in this policy. Services outside of these provisions and/or which are not pre-approved in writing are the personal financial responsibility of the relocating employee. Competitive quotes are not required but are recommended. Fiscal prudence and common sense should be used when choosing a moving carrier.

Reimbursements are limited to actual costs incurred up to the amounts agreed to by the department and the employee within the limits outlined in this policy.

### **Expenses reimbursed under this policy**

- One pre-move visit, including meals (up to standard per-diem for 2 individuals), lodging, airline ticket, and rental car (or mileage) not to exceed three calendar days.
- Transportation charges for one continuous move of household items and personal effects from the current domicile to within a 50 mile radius of either the Hattiesburg or Gulf Coast area. Competitive quotes are not required, but are encouraged. Keep in mind, the University will only reimburse for up to the amount agreed upon in your offer letter, and only for a move associated with initial employment. (Moves from within a 50 mile radius of either the Hattiesburg or Gulf Coast area are not reimbursable.)
- Container costs for household items, including book cartons, wardrobes, linen cartons, dish packs, mattress cartons, and corrugated cartons for mirrors and pictures.
- Packing charges for breakable items – such as dishes, glassware, lamps, mirrors and pictures, and for mattresses and box springs.
- For family members, reasonable and customary expenses for transportation to the new location, including lodging and meals (reimbursed up to standard per-diem for 2 individuals) not to exceed three calendar days.
- Shipping of one vehicle.

If payment is made to an individual (cannot be a family member) for assistance in loading or unloading, an invoice or a signed document showing recipients name, address, phone number

and signature reflecting receipt of money must be provided for reimbursement. Employee must provide proof of payment (copy of front and back of check).

Mileage rate – Based on the approved mileage rate set by the Mississippi Department of Finance and Administration.

**Expenses not reimbursed under this policy unless referenced in the offer letter**

- Packing and unpacking of normal household goods - with the exception of breakable items, lamps, mattresses, and box springs.
- Expedited service – unless requested by the University.
- Temporary living expenses.
- Insurance
- Storage costs (Origination or Destination).
- Payment of charges for moving domestic and non-domestic animals, boarding of domestic and non-domestic animals, firewood, perishable food, building materials, yachts, boats, outdoor recreational vehicles, campers, lawn tractors, dog houses, assembled swing sets, or plants.
- Lodging after arriving at destination.
- Meals after arriving at destination.
- Expenses required to sell, lease, or rent an employee's home; or those expenses required to settle or buy out an existing lease or rental agreement, including but not limited to: brokerage fees, attorney or escrow officer fees, title costs, mortgage discount points, the hiring of a firm to sell a home, fees to break a lease or rental agreement, cleaning fees, first or last month's rent or lease fees, damage fees or deposits of any type.
- Installation or disassembly of items such as waterbeds, television antennae or satellite dishes, wall-to-wall carpeting, affixed wall mirrors, draperies, blinds, basketball goals, or chandeliers.
- The transportation of items not included in the original bid estimate.
- Third party services such as maid service, rug, carpet, or drapery cleaning, etc.
- Exclusive use of the moving van for the employee's belongings.
- Retrieval of packing, crating, or storage materials.
- Moves originating within a 50 mile radius of either the Hattiesburg or Gulf Coast area.
- Additional expenses incurred to obtain stored items prior to destination delivery.

**Reimbursement Process**

- Complete [Employee Moving Reimbursement Form](#) (Also found on the Accounts Payable Forms and Instructions website)
- Attach a copy of offer letter referencing the amount of moving expense approved by department.
- Attach all original receipts obtained prior to the move and proof of payment.
- Send all of the above by campus mail to Accounts Payable 5104 or hand deliver to Bond Hall Room 214.
- If payment is being made to the Moving Company, complete a Remittance Voucher with payment to the Vendor and attach an original invoice along with a copy of the employee's offer letter.

### **Tax Information**

As of January 1, 2018, the Tax Cuts and Jobs Act of 2017 suspended (until January 1, 2026) the exclusion from taxable income for qualified moving expenses incurred by employees. In other words, unless you are active military, you cannot currently deduct moving expenses on your federal tax return. Further, as of July 1, 2018, the Act suspended (until June 30, 2026) the tax-free reimbursement of qualified moving expenses. As a result of this change in the federal law, moving expenses incurred by employees during calendar years 2018 through 2026 will be treated as wages and paid through the Payroll Department subject to federal, state, and FICA tax withholding. Further, please note that employees may not deduct these expenses on their individual income tax returns respectively. After all of your moving expenses are processed, you will receive a letter from the Tax Compliance Officer in October/November that will explain that these expenses will be included as income and taxed accordingly.

IRS Publication 521 contains more detailed information on Moving Expenses. This publication is available on the IRS website –<http://www.irs.gov/>.