



University of North Carolina Wilmington
Moving Expense Reimbursement

Tips you need to know

1. A “qualified” moving expense is an expense that is not IRS taxable or IRS deductible to the employee. Meaning you will not be taxed on this reimbursement and you cannot deduct the expense on your income taxes. Types of non-taxable or “qualified” expenses are, but not limited to, transportation of household items, some travel expense to your new home, and lodging. This reimbursement will show up on your W-2 in box 12 as a code P. This is for informational purposes only.
2. A “non-qualified” moving expense is an expense that is IRS taxable to the employee. This means that any expenses you are reimbursed for that are “non-qualified” expenses will be taxed to the employee on their December paycheck of the tax year and will be included on their W-2 for the year the expense was reimbursed. This expense will show up in boxes 1, 3, and 5 on the W-2. Examples of taxable or “non-qualified” expenses are, but not limited to, house hunting, meals, pre-move or post-move expenses.
3. The above mentioned expenses, qualified or non-qualified are only reimbursed to the employee with the appropriate approval and documentation from management. (See Employee Moving Authorization Procedure located on the accounting web page under policies and procedures)
 - A completed Employee Moving Authorization form, ACG 1.70, with all signatures, including the Chancellor’s signature. (found on accounting web page under forms)
 - A check request made payable to employee (if applicable),
 - An offer letter stating that you were offered moving expenses as part of your employment, (or a letter from the department head stating that moving expenses were approved and part of your employment. This letter needs to be signed by department head, dated and on UNCW letter head.)
 - The tax department cannot accept letters via email, must have original signatures.
 - Original receipts for expenses incurred during move,
 - Print out from MapQuest showing miles from old home location to new home location,
 - PO for moving company if paying moving company directly
 - Copy of IDI or invoice for temporary housing
4. You will need to submit the appropriate approved documentation mentioned in #3 to the tax department for review and processing.

5. Moving expenses are charged to account number 929300. This should be noted on the check request along with your fund number.
6. Temporary housing reimbursement is taxable to the employee.
7. Mileage from your old home location to your new home location is reimbursable. However, part of the mileage is taxable to the employee. The current mileage rate paid by UNCW is 55 cents per mile. The current mileage rate per the IRS for moving expenses is .24 cents. So, for example, if you drove 500 miles from your old home location to your new home location then mileage would be calculated as follows: $500 \times .24 = 120.00$ and $500 \times .31 = 155.00$. The 120.00 would be a non-taxable moving expense and the 155.00 would be a taxable moving expense to the employee.
8. All meals reimbursed to employee are taxable to the employee.
9. Employees who receive moving expense reimbursement during a tax year will receive a breakdown of their moving expenses by December 15th each year with the detail of expenses between taxable and non-taxable.
10. Beginning January 1, 2009 the standard mileage rate changed to .55 cents for business miles and .24 cents for moving purposes. See <http://www.irs.gov/newsroom/article/0,,id=200505,00.html>
11. Any questions regarding moving expense reimbursement should be directed to the Tax Department at extension 22757.
12. For additional information regarding moving expenses please refer to the IRS website and review publication 521 <http://www.irs.gov/pub/irs-pdf/p521.pdf>. Please note that the policy held by the Office of State Budget and Management for moving expenses will be enforced first, you can review this policy at http://www.osbm.state.nc.us/files/pdf_files/2007BudgetManual.pdf. See section 6.6 Moving and Relocation starting on page 164.