

A. Procedure for Reimbursement of Relocation Expenses

1. Procedures Regarding the Reimbursement of Moving Expenses

The process for requesting Relocation Expense payments is intended to ensure that all Relocation expense payments are properly reported as taxable income to the recipient employee and offset by all necessary tax withholdings. The process is slightly different depending upon whether (1) the new employee is to be reimbursed, (2) the new employee is to be reimbursed before the employee's appointment with the University has commenced, or (3) the University pays the expense directly. The process for each of these situations is described below.

i **A new employee is to be reimbursed after the employee's appointment with the University has commenced.**

1 The expenses incurred by the employee must be fully documented with receipts.

2 The Taxable Moving Expense Reimbursement form (the "Form") must be completed and submitted (along with all original receipts) to Payroll Services. The total reimbursement amount would be inserted on the "Amount to be reimbursed through Payroll ..." line. (A copy of the Form is contained on page 6 of this policy. A fillable PDF version of the Form is available on the Payroll Services website: <https://payroll.rutgers.edu/files/taxablemovingpdf>).

3 The approved amounts will be processed as extra pay by Payroll Services and added to the employee's regular pay.

ii **A new employee is to be reimbursed before the employee's appointment with the University has commenced.**

In some instances it may be necessary to reimburse a new employee for Relocation Expenses after the creation of the employee's appointment but before the commencement date of that appointment. If waiting for the initial pay period would create an undue hardship for the new employee, then a reimbursement may be made through a check request. However, a check request that specifies an employee as payee would normally be rejected. Therefore, units seeking such a reimbursement must follow these steps:

1 The Form must be completed and submitted to Payroll Services. In this case, the total direct payment by the University would be inserted on the "Amount paid by the employee prior to start date and reimbursed via AP..." line.

2 The Form must first be processed and countersigned by a representative of Payroll Services before being returned to the unit requesting the payment.

3 Thereafter, the unit must submit the countersigned form to University Procurement Services with a check request charged to **account 69305**. This account will permit a temporary profile for the employee to be created in order to process the check. This account may only be used for Relocation Expenses.

iii **The University makes a direct payment to a vendor (such as a moving company with which the University has a contract) in order to effectuate a new employee's move.** The process for direct University payments is the same regardless of whether the payment is made before or after the date the employee's appointment has commenced. However, in all cases, the individual must already have an appointment through University Human Resources in place.

1 The Form must be completed and submitted to Payroll Services. In this case, the total direct payment by the University would be inserted on the "Amount paid by Rutgers directly to a vendor..." line. Payroll Services will offset the applicable tax withholding against other future wages.

2 The Form must first be processed and countersigned by a representative of Payroll Services before being returned to the unit requesting the payment.

3 The unit must then attach the countersigned Form to an RU Marketplace requisition for relocation services and submit to University Procurement Services.

2. Special Procedures for Laboratory and Office Equipment Moved from Old Place of Employment to Rutgers University.

All relocation expenses (except the expenses of moving laboratory equipment or office equipment from a previous office to a University office), incurred during the calendar years 2018 through 2025, constitute taxable income to the employee pursuant to the enactment of the Tax Cut and Jobs Act of 2017 (Pub. L. 115-97).

Consequently, moves of office or laboratory equipment should be processed differently. It must be substantiated that the items being relocated are office/laboratory equipment (not household items) and that the property is being moved from a previous office/laboratory to a University office/laboratory. It is recommended that the relocation of office/laboratory be paid directly by the University to an approved moving company. Such expenses should be charged to **account 69306** (Not 69305).

B. Form Reduction

Users should note that the Form is required in each of the situations described in Section G.2., above. Units requesting reimbursements and/or direct payments should endeavor to consolidate as many reimbursements or Procurement payments on one form as possible. Amounts paid through Payroll and Procurement may also be reflected on the same form. Minimizing the number of forms submitted for a particular employee will reduce delay and the possibility for error.

Taxable Moving Expense Reimbursement

Please complete, attach original receipts, and send to Payroll Services.

Section 1:

Employee Name: _____										
Employee ID: _____					Employee Record: _____					
Amount paid directly to employee										
- Employee to be reimbursed through Payroll										
** Must attach receipt(s) totaling above amount										
										\$ _____
Amount paid by employee prior to start date and reimbursed via A\P										
- Employee to be taxed through Payroll										
** Must provide copy of request for check and invoice number(s) totaling above amount										
										\$ _____
Amount paid by Rutgers directly to a vendor										
- Employee to be taxed through Payroll										
** Must provide invoice number(s) totaling above amount										
										\$ _____
Unit	Division	Organization	Fund Type	Location	Business Line	Activity	RU Initiative	Project	Task	Expenditure UDO

Section 2:

Requestor		
Requestor - Printed name		Requestor - Signature
Email	Phone	Date
Approver: Department Head/Designee		
Approver - Printed name		Approver - Signature
Email	Phone	Date

Section 3:

FOR PAYROLL USE ONLY		
Approved: Controller's Office - Payroll Services		
Processed By	Date Processed	Applied to Pay Period