



TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER

Operating Policy and Procedure

HSC OP: 72.18, Employee Moving Expenses

PURPOSE: The purpose of this Health Sciences Center Operating Policy and Procedure (HSC OP) is to establish procedures for paying employee moving expenses.

REVIEW: This HSC OP will be reviewed in March of each even-numbered year (ENY) by the Managing Directors of Payroll and Tax Services, and Procurement Services, and the Associate Vice President for Human Resources, with recommendations for revisions forwarded to the Executive Vice President of Finance and Operations by April 15th.

AUTHORITY AND APPLICABILITY :

This operating policy/procedure follows the tax rules set forth by the Internal Revenue Service (IRS), See [IRS Publication 521](#) for more information. In the event that the IRS rules change or there is a discrepancy between this HSC OP and the IRS, the rules set forth by the IRS will prevail.

POLICY / PROCEDURES:

1. Employee Moving Expenses
 - a. All relocation payments made on or after January 1, 2018 are taxable. Passage of the Tax Cuts and Jobs Act removed the individual moving expense deduction effective January 1, 2018. The change prohibits an employer's ability to pay and/or reimburse an employee's moving expense as a nontaxable payment. As such all-relocation payments made on or after January 1, 2018 will be taxable and must be submitted on the MOV earn code.
 - b. Payments of moving expenses to the employee should be processed through the Employee One-Time Payment System (EOPS) located [here](#). The MOV pay code should be used for all moving expenses.
 - i. Actual Reimbursement: if reimbursing actual (incurred) moving expenses, please submit copies of the receipts with the MOV EOPS. Receipts need not be original; physical and/or digital copies are sufficient. Scanned copies of all applicable receipts attached to the EOPS as a PDF document is the preferred method. The following information should be included with the receipts:
 - (1) The date the employee accepted the job;
 - (2) The date the employee started work;
 - (3) The date(s) the moving expenses were incurred;
 - (4) The date(s) the employee was traveling and moving;
 - (5) The employee's former city of residence; and
 - (6) The family members who traveled with the employee
 - ii. Relocation Stipend: For relocation stipends, receipts are not required if an offer letter indicating the amount of the relocation stipend offered is attached to the EOPS transaction. Departments do not have to wait until the move has occurred to submit the EOPS payment or may have the payment issued by a certain future payday.

- c. Payments of expenses to a contracted third-party vendor should be made through TechBuy.
 - i. If agreed upon by the department and the employee, departments may contract with a third-party vendor to complete the moving/relocation services. In this case the moving expenses should be paid directly to the moving company through TechBuy. Any moving expenses that are paid through TechBuy to a t let sTe