Title: Employee Moving Expense
Category: Human Resources
Applies to: staff, faculty, departments
Contact: Human Resources

Purpose: Policy regarding moving expenses for employees.

Policy Statement: The University may pay moving or relocation expenses upon the written authorization of the President or employee’s division Vice President. A UCO Employee Moving Expense Authorization form will be used to authorize moving expenses.

If a common carrier is used, the amount of the actual costs is allowed and is included in the total budget for relocation expenses as stated in the Employee Moving Expenses policy. If the cost of the moving service from the common carrier is less than $2,500, the employee may choose the moving agent in consultation with the hiring department.

Whether payment is made directly to the moving company or reimbursed to the employee, invoices from third-party commercial movers that exceed $2,499.99 require the employee to obtain three (3) quotes from moving companies prior to the move and submit the quotes to the University. If the lowest quote was not accepted, the employee must provide a justification for selecting a higher quote.

If the source of funds is a sponsored program grant and/or contract, the specific language allowing payment of moving and/or relocation expenses must be cited on the UCO Employee Moving Expense Authorization form.

P-Cards may not be used to pay for moving expenses.

Reimbursement: UCO primarily authorizes allowed expenses (expenses referred to as qualified expenses in IRS Publication 521). Non-qualified moving expenses will also be authorized for payment when prior approval is obtained from the UCO President or employee’s division Vice President. UCO directly pays all allowable expenses to third parties unless an expectation is developed and approved by the President or employee’s division Vice President prior to the contract or agreement.

Employees are cautioned not to rely on the UCO policy or statements by UCO personnel as tax advice to the employee. IRS regulations are subject to different interpretations by different individuals and organizations; therefore, employees should obtain tax advice from tax experts of their choosing.
E&G Funds – Generally state appropriated and tuition funds budgeted and used for university programs

Sponsored Programs – Sponsored research and other sponsored programs derived from external sources and not from regular educational and general budget funds generally reimbursed by the contracting or granting agency

Moving Expenses – Expenses associated with the relocation of an employee may be qualified (referred to as allowed) or nonqualified based on IRS guidelines.

Allowed Expenses – also known as qualified expenses. Allowed moving expenses are expenses that were non-taxable to the employee and not subject to payroll tax withholding according to IRS Publication 521. In the calendar years 2018-2025 this provision was suspended by the Tax Cut and Jobs Act that went into effect January 1, 2018. All allowed expenses are taxable to the employee and subject to payroll tax withholding for calendar years 2018-2025 and will be reported as income on the employee’s W-2.

Non-qualifying Expenses – Taxable moving expense to the employee and subject to payroll tax withholding. The total expense is reported as additional income on the employee’s W-2.

__Legal Citation:__ Oklahoma Attorney General’s Opinion 1992 OK AG 10 determined that the statute that allows a state agency to pay for the moving expenses of state agency employees (74 O.S. §§500.51-500.55) does not apply to institutions of higher education which are governed by constitutionally created boards, such as the Regional University System of Oklahoma and Oklahoma State Regents for Higher Education. In compliance with this Attorney General’s Opinion, UCO has established a moving reimbursement policy.


**Tax Cut and Jobs Act**

**IRS Publication 521**

**Campus Links:** [UCO Employee Moving Expense Authorization Form](#)

**FAQs:**

Formally known as:

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**Approved on:** 07/23/2013  
**Effective date:** 08/01/2013  
**Keyword(s):** moving, relocations, IRS, compliance, reimbursement, tax, move, relocate, qualifying, non-qualifying, allowed  
**Last review date:** 10/16/2018  
**Date posted:** 11/9/2018  
**Modified By:** TKITSMILLER  
**Date Modified:** 10/16/2018