TAX IMPLICATIONS

Per IRS regulations, some of the expenses paid by the University may be reported as taxable income on your W-2 statement. Although the University believes the following to be an accurate summary of the IRS regulations, reading of the actual IRS documents at http://www.irs.gov/forms_pubs/pubs.html (see Publication 521-Moving Expenses) is encouraged. You are also encouraged to consult with your personal tax advisor.

1. Under Internal Revenue Service (IRS) regulations, nontaxable (i.e., deductible) moving expenses reimbursed by an employer, or paid to a third party on behalf of an employee, are excludable from an employee’s gross income provided the move is closely related to the start of work and meets both the time and distance tests. If the requirements of all three of these tests are not met, any payments made for moving expenses will be taxable and must be reported. 1) Related to Start of Work - The move must be made in connection with the commencement of work at a new job location and the moving expenses must be incurred within one year from the time the employee first reports to the new job. 2) Time Test - During the 12-month period immediately following the move, the individual must be employed full time for at least 39 weeks. 3) Distance Test - The new job location must be at least 50 miles farther from the individual’s former principal residence than the former principal job location.

2. The following reasonable expenses are nontaxable: 1) The cost of moving household goods and personal effects (including in-transit or foreign-move storage expenses); and 2) Expenses (including lodging but excluding meals) incurred in traveling from the former residence to the new residence. Deductible amounts that are not reimbursed by the University may be eligible for inclusion as an above-the-line deduction (i.e., not subject to the 2% floor for miscellaneous deductions) on the employee’s tax return.

3. Any reimbursement of, or payment to a third party for, taxable (i.e., nondeductible) moving expenses must be included in an individual’s gross income as taxable wages. The following are examples of taxable expenses: 1) Travel expenses, meals, and lodging for pre-move house hunting trips; 2) Meals and lodging while occupying temporary quarters in the area of the new job location; 3) Rental automobile costs incurred while the primary automobile is being shipped to the new location; 4) Meal expenses incurred while moving from the old residence to the new residence; 5) Mileage reimbursements in excess of thirteen (13) cents per mile; and 6) Storage charges, except those incurred in transit and for foreign moves.

Tax Reporting

Nontaxable amounts paid directly to an employee for the reimbursement of nontaxable moving expenses are excludable from the employee’s gross income; such expenses must be reported on the employee’s Form W-2. Nontaxable expenses paid directly to a third party (such as a moving company) on behalf of an employee or a new appointee, and services that an employer furnishes in kind to an employee, are not reportable on the employee’s Form W-2. Amounts paid for taxable moving expenses, whether or not they are paid directly to an employee, are includable in an employee’s gross income, subject to withholding of income, social security, and Medicare taxes.

INSURANCE

Household goods are insured at $3.50 - $4.00 times the weight. The first $50,000 of value is included in the agreement with the movers at no additional charge. For values in excess of $50,000, a charge of $4.00 per $100 of additional value is added to the invoice. Items not considered household goods are not covered by insurance. Items of extreme value should be brought to the move agent’s attention at the time of the estimate and should be packed by the movers. The mover cannot accept responsibility for concealed damage of items you packed yourself. It is your responsibility to file a claim against the mover in the event of damaged or lost articles.
### MOVING YOUR HOUSEHOLD GOODS

**General Instructions**

Do not make move arrangements or sign contracts for your move. UCR has established contracts with certain movers. Your department will initiate the move request and the move agent will contact you. Items of extreme value must be brought to the move agent’s attention at the time of the estimate. You should receive a packet of move information from our agent about a week after the estimate is done; call if you do not receive it. You must personally sign for receipt of your goods; no one else can sign for you.

**UCR will pay**

- **Household goods.** Household goods are defined as articles essential to maintaining a household, e.g., appliances, furniture, artwork or other ornaments, decorations, kitchen utensils, dishes, lamps, televisions, stereo equipment, hand tools, garden tools, clothing, etc.
- **One vehicle used for basic personal transportation.**

**UCR does not pay**

- for moves to a destination outside of the Riverside area.
- for the cost of moving the items listed below:
  - Pets or any other animals.
  - Boats, planes, recreational vehicles, farm implements, tractors of any type, snowmobiles or other vehicles which are not used for primary transportation needs.
  - More than one vehicle used for basic personal transportation.
  - Anything requiring special handling or incurring special handling charges.
- for payment of storage fees and re-delivery of the stored goods. (Accordingly, it is important to have a destination address determined to avoid incurring storage charges.)
- for moves from or to more than one address.

**Additional Notes**

- Moving companies will not transport hazardous materials or perishables.
- Items of personal importance or sentimental value are best taken by the appointee. Identify items of extreme value at the time of the estimate.
- Under IRS regulations, there may be some tax implications. Please refer to the section entitled TAX IMPLICATIONS for more information.

**UCR will pay**

a) If travel is by air:
   - air coach transportation costs for you and your immediate family (most economical fare) and meal expenses for the day(s) of air travel, as necessary because of layovers (usually does not exceed one meal per person). Receipts are required.
   OR
b) If travel is by automobile or means other than by air:
   - expenses up to (but not exceeding) the equivalent of the most economical air coach transportation costs for you and your immediate family members. This may be used to cover costs such as lodging, meals, and transportation expenses incurred en route. Receipts are required for reimbursement.

### MOVING YOUR FAMILY MEMBERS

**General Instructions**

You will make your own reservations and will be reimbursed after you have submitted a travel expense voucher with supporting documentation. It is required that you retain all receipts and submit them with your request for reimbursement.

**UCR will pay**

- Air coach transportation costs for you and your immediate family (most economical fare) and meal expenses for the day(s) of air travel, as necessary because of layovers (usually does not exceed one meal per person). Receipts are required.

OR

**UCR does not pay**

- for moves to a destination address outside of the Riverside area.
- living expenses upon arrival in the Riverside area.
- living expenses while the household is being packed.
- any expenses that exceed the cost of the most economical airfare.

**Additional Notes**

- Under IRS regulations, some expenses for which you may be reimbursed may be regarded as taxable income. Please refer to the section entitled TAX IMPLICATIONS for more information.

### MOVING YOUR PROFESSIONAL ITEMS

**General Instructions**

Do not make move arrangements or sign contracts for your move. UCR has established contracts with certain movers. Your department will initiate the move request and the move agent will contact you. The professional move may or may not occur at the same time as the household move, but it should be billed separately.

**UCR will pay**

- the total reasonable costs associated with packing, unpacking, insurance, and freight for the following:
  - Professional library provided that any such library is available for use by other faculty and students.
  - Office materials and equipment for which releases have been obtained. It is your responsibility to obtain the necessary permission to transfer items to UC Riverside.
  - Laboratory equipment for which official releases have been obtained from the prior institution or company. It is your responsibility to obtain the necessary permission from granting agencies, institutions, and/or companies to transfer items to UC Riverside.

**UCR does not pay**

- for removal of items requiring special handling without PRIOR approval from the Executive Vice Chancellor. Reimbursement for special handling charges will not occur unless this approval is secured PRIOR to the move.
- for personal items of laboratory personnel.

**Additional Notes**

- Moving companies will not transport hazardous materials or perishables.
- Under IRS regulations, there may be some tax implications. Please refer to the section entitled TAX IMPLICATIONS for more information.