

PAYMENT OF EMPLOYEE MOVING EXPENSES POLICY

The State of Oklahoma, Office of Management and Enterprise Services (OMES) requires state agencies which are authorized to pay the moving expenses of their employees to follow procedures that comply with current Internal Revenue Service (IRS) regulations.

Under the Tax Cuts and Jobs Act that was signed into law December 22, 2017, the personal deduction for relocation expenses and the exclusion from income of employer-paid relocation expenses have been suspended from January 1, 2018 through December 31, 2025. As a result, **all** moving expenses incurred on or after January 1, 2018, whether reimbursed directly to an employee or paid to a vendor on behalf of an individual, are includable in the employee's gross income and will be reported on the employee's W-2 and be subject to federal and state income tax and FICA withholding. Whenever a newly appointed employee's moving expenses are to be paid by the University, the "hiring" letter should include the University's moving expense policy.

It is the responsibility of the department sponsor to report all moving expenses paid by the University to 1) Payroll and Employee Services and 2) the new employee.

For procedures related to moving expenses, see *Payment of Moving Expenses*.