

Payment of Moving Expenses

GENERAL INFORMATION

All moving expenses incurred on or after January 1, 2018, whether paid 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. Employees should consult with their own tax advisor for additional information and advice.

Effective April 1, 2020, the procedures below are to be followed for all payments of moving expenses regardless of funding source. When the source of funds is from sponsored program grants and contracts, reference should be made to the specific language of the grant or contract as to the payment of moving expenses.

DEPARTMENTAL RESPONSIBILITY

- A. To request payments directly to third party vendors (such as moving companies), the "Moving Expense Vendor Payment Request (MEF)" form should be completed in Crimson Corner. This process will change with the re-implementation of Peoplesoft in July 2020 and will instead be processed with a Peoplesoft PO (stay tuned). If nearing the end of the calendar year, contact Financial Services for year-end deadlines to be aware of.
- B. Once the employee commences employment and all payments to third parties are completed, the department should complete the **Employee Moving Expense Form** ([located here](#)) to notify the employee of all direct vendor payments made by the University for moving expenses. The completed form should be signed by the employee, and then forwarded to Payroll and Employee Services to report amounts paid directly to third parties.
- C. For payments made directly to employees, departments should ensure that payments are made in accordance with the terms of the new employee's offer of employment. Such payments cannot be made prior to the first date of employment. Departments may elect to pay a pre-determined flat amount for moving expenses, or reimburse the employee for expenses actually incurred. In the case of reimbursements, departments are responsible for maintaining appropriate supporting documentation.
 - Once employees are appointed in the HCM PeopleSoft system, departments may request payment of moving expenses on-line using the ePAF additional pay form in HCM PeopleSoft. If nearing the end of the calendar year, contact Payroll & Employee Services for the year-end deadline to determine which taxable year will be affected.

For questions about this policy, please call Financial Services at 325-3021 or email fss@ou.edu.