

HR5013 - Moving Allowance

Issued: February 14, 2017
Responsible Official: Executive Vice President and Chief Operating and
Financial Officer
Responsible Office: Human Resources

Purpose

Payment of a moving allowance must be approved in advance by the President or designee.

Approval of a moving allowance may be made when considered in the interest of the University and when such payment is a part of the employment negotiation with a new employee or the relocation of a current employee. This procedure applies to a moving allowance paid by the University of Memphis, including Restricted Funds and Auxiliary Funds.

An allowance as provided in these regulations shall not be allowed unless and until the employee agrees in writing to remain employed with the University as a full-time employee for a period of twelve (12) months following the effective date of the move, unless separated for reasons beyond the employee's control and acceptable to the University. The Moving Agreement & allowance Request should be maintained in the employee's personnel file. In case of a violation of such an agreement, including failure to effect the transfer, any allowances shall be recoverable from the employee concerned, as a debt due the University.

Definitions

Employees

The term "employee" in this policy means any prospective or current employee of the University of Memphis.

Procedures

Authorization

The [Moving Agreement & Allowance Request](#) form is used to secure the employee's agreement to the terms under which the moving allowance is paid and to document the President's or designee's approval. The Department Head should prepare the Moving Agreement & Allowance Request, secure the prospective employee's signature and forward the document to the Dean/Director's Office to

approve and forward to the Provost or respective Vice President. The Provost or respective Vice President will:

- Secure the approval of the President or designee.
- Provide a copy of the approved agreement to the appropriate Dean, Director or Department Head.
- Forward the original approved agreement to Human Resources for processing and inclusion in the employee's personnel file,

Moving Allowance

Newly hired full-time employees who relocate from their former residence to a new residence may be issued a one-time moving allowance, if deemed appropriate by the President or designee. A proposed Moving Agreement and Allowance Request should be included with the submission of the hiring proposal via WorkforUM. The contract for moving allowances should be executed at the time of employment negotiation.

If the University recruits and hires more than one person from the same household, only one moving allowance is permitted.

To be eligible to receive a moving allowance and to comply with the current guidelines published by the Internal Revenue Service (IRS), the move must meet the minimum IRS distance test of 50 miles from the location of the former residence.

- For example, if the location of the former workplace was three (3) miles from the employee's former home, the location of the employee's new workplace must be at least 53 miles from the employee's former home.
- If the employee did not have a former workplace, the new workplace must be at least 50 miles from the employee's former home.
- The distance between the two points is the shortest of the more commonly traveled routes between them.

Arranging for Moving and Payment

The moving allowance is paid directly to the employee, reported as taxable income, and is subject to all tax liability at the time of payment.

- The amount of the moving allowance will be included in boxes 1, 3, and 5 of the employee's W-2.
- Regardless of the funding source, the University of Memphis will withhold and remit the appropriate taxes to the IRS.

The employee will make all arrangements for the move without the involvement of the University.

The employee does not submit moving expense receipts to the University, but is advised to keep them for personal tax return purposes.

- The employee may be able to recover the income tax withheld by filing the appropriate IRS forms with their tax return (IRS Form 3903 Moving Expenses).
- This recovery is dependent on the IRS regulation in force at the time of payment.
- The employee receiving the moving allowance will be responsible for documenting expenses on their federal tax return required by IRS Publication 521 Moving Expenses.

All moving allowances require approval from the President or designee. The President's moving allowance requires the Board of Trustees' approval and will be included in the employment agreement.

Other Provisions

Moving allowances will be paid only after an employment agreement/contract and [Moving Agreement & Allowance Request](#) are executed between the employee and the University.

All payments must be made within twelve (12) months of the date employment begins for new employees or relocation occurs for relocated employees.

The agreement on the amount of the moving allowance to be paid should be clearly understood in writing between the employee and the University.

The University shall assume no liability whatsoever for personal injuries, property damages, or other losses which may be sustained in connection with any moves undertaken pursuant to these regulations.

In consideration for the University paying a moving allowance, the employee agrees to remain employed by the University for a period of at least one year. For faculty appointed on an academic basis, one year is defined as one regular academic year (Fall and Spring Semesters, nine months). For all other annual faculty and employees, one year is defined as twelve months. Should the employee voluntarily leave the University prior to completion of that year, the employee will be liable to the University for the moving allowance which the University has paid and any payroll taxes withheld by the University in connection with the allowance. If the employee is terminated for cause during the first year, the University may seek reimbursement of the moving allowance.

Related Forms

Moving Agreement & Allowance Request

<http://www.memphis.edu/workforce/xls/movingagreement.xlsx>

Links

Revision Dates

HR5013 - Supersedes UM1328 March 26, 2018
UM1328 - Revised February 14, 2017
UM1328 - Revised June 5, 2014
UM1328 - Revised April 23, 2014
UM1328 - Revised April 17, 2014
UM1328 - Revised August 26, 2008
UM1328 - Revised May 22, 2006
UM1328 - Issued September 15, 2003
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Subject Areas:

Academic	Finance	General	Human Resources	Information Technology	Research	Student Affairs
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