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**Responsible University Administrators:**  
*Business & Finance*

**Responsible University Office:**  
*Business & Finance*

**Contact:**  
*Campus Accounting or Human Resources*

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## MOVING RELOCATION POLICY

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### **Purpose**

This policy establishes the guidelines and reimbursement procedures related to relocation expenses for regular new and current University of Nebraska (NU) employees.

### **Applicability**

This policy shall be applicable to all regular Faculty, Administrative, Managerial/Professional employees.

### **Authority /Responsibility**

Business and Finance is responsible for developing policy requirements. This policy was developed by NU Business and Finance offices (Accounting & Human Resources). NU department leaders are responsible for implementing this policy.

### **Policy Statement**

Regular new and current NU employees may receive an allowance to assist with covering the cost of moving relocation expenses.

### **Eligibility**

The following criteria must be met to be eligible for a moving allowance:

- The relocation to another geographical location must be for the benefit of NU.
- The new job location must be farther than 50 miles from the employee's old residence.
- A current employee is eligible when they transfer to an administrative unit that is farther than 50 miles from their current administrative unit or a departmental transfer moving the employee to a location farther than 50 miles from the employee's old residence.

### **Authorization of Moving Expenses**

Department heads (or designees) may authorize payment of reasonable moving and relocation expenses for new faculty and staff members as part of an offer of employment. Such moving allowances must be negotiated at the time a position is offered and must be included in the signed offer letter.

Management will consult with representatives from their human resources and financial offices prior to offering payment of relocation expenses in consideration of the total compensation package. Authorization of payment of relocation expenses up to \$5,000 are allowed by the department head. Payments over \$5,000 require approval from the appropriate President/Vice President/Chancellor/Vice Chancellor (or designee).

If funding to pay for the relocation is coming from sponsored research sources, the Office of Sponsored Programs may require additional approvals to ensure allowability of these costs to the sponsored project.

### **Payment of Expenses and Tax Reporting**

Relocation expenses should be paid as a lump sum payment through payroll via a Personnel Action Form. Receipts are not required. The Tax Cuts and Jobs Act of 2017 requires that NU withhold income and FICA taxes on payments made to an employee for all moving related expenses. The lump sum payment will also be reported on the employee's annual W-2. The payment will not be processed until the employee is on NU payroll.

NU intends that any allowance paid to an employee for moving expenses complies with the provisions of Section 409A of the Internal Revenue Code and the corresponding treasury regulations so as not to subject the employee to the payment of any additional taxes, interest or penalties under that Code section. To the extent possible, NU therefore will pay this allowance to the employee within the same tax year that the employee is hired. If the employee's hire date occurs so late in the year that it is not possible for NU to pay the employee this allowance within that tax year, NU shall pay the allowance to the employee on one of the following specified payment events: employees who are paid their salary on a monthly basis shall be paid the allowance by the second regularly scheduled payday following their hire date and those employees who are paid on a bi-weekly basis shall be paid the allowance by the fourth regularly scheduled payday following their hire date.

### **Scheduling the Move**

Newly hired individuals may use NU contract suppliers and benefit from the negotiated rates but must pay the supplier directly. The move itself is solely the responsibility of the new employee. The contract for the move, along with any problems that may result from the move, is between the employee and the moving company. NU's only involvement is payment of the moving allowance to the employee. The employee must handle any and all claims.