

# RELOCATION ALLOWANCE POLICY

Group: Full-time, Benefit Status  
Faculty and Administrative/Salaried Staff  
Effective: January 1, 1999  
Updated: September 2016

Eligibility: If you relocate within the first 12 months of employment at DePauw University you may be eligible for a Relocation Allowance. If you relocate, the distance from your old home to DePauw must be at least 30 miles greater than the distance from your new home to DePauw. You will be issued a one-time relocation allowance based upon the distance of the move. If you terminate employment within the first 12 months of employment and a relocation allowance has been paid, you may be required to return the funds. If you terminate employment prior to the payment being made, the allowance will not be paid. If the University recruits and hires more than one person from the same family only one relocation allowance is permitted. The relocation allowance amounts are as follows:

<i>Distance*</i>	<i>Relocation Allowance (gross amount)</i>
Less than 30 miles	\$0
30 < 200 miles	\$1,500
200 < 500 miles	\$2,000
500 < 1,000 miles	\$2,500
1,000 miles or more	\$3,000

\*Distance means the number of miles from the employee's new home to DePauw University subtracted from the number of miles from the old home to DePauw University.

The moving expense allowance is paid directly to the employee, reported as taxable income and is subject to all tax liability at the time of issue. The amount of the moving expense allowance will be included in boxes 1, 3, and 5 of the employee's W-2.

Further documentation of new address maybe required upon request. The employee does not submit moving expense receipts to the University but is advised to keep them for personal tax return purposes. If the employee desires to offset taxable income with actual moving expenses, Form 3903 (Moving Expenses) must be filed with the employee's federal tax return (see IRS publication 521).

The Internal Revenue Service (IRS) also requires the employee to meet certain tests for eligibility of the moving expense deduction. These tests are briefly explained below:

(1) Distance Test from IRS Form 3903 (1997)

Your principal workplace must be at least 50 miles farther from your old home than your old workplace was. For example, if your old workplace was three miles from your old home, your new workplace must be at least 53 miles from that home. If you did not have an old workplace, your new workplace must be at least 50 miles from your old home. The distance between the two points is the shortest of the more commonly traveled routes between them.

(2) Time Test from IRS Form 3903 (1997)

If you are an employee, you must work full time in the general area of your new workplace for at least 39 weeks during the 12 months after you relocate.

***\*DePauw University does not offer tax advice and encourages the faculty or staff member to contact a tax professional regarding the moving expense deduction.***

**REQUEST FOR RELOCATION ALLOWANCE**  
**DePauw University**

Name of Employee: \_\_\_\_\_

Date of Hire: \_\_\_\_\_ Supervisor: \_\_\_\_\_

Department: \_\_\_\_\_ Job Title: \_\_\_\_\_

Old Home Address: \_\_\_\_\_

New Home Address: \_\_\_\_\_

A) Miles between old address and DePauw:	
B) Miles between new address and DePauw:	
C) Difference between A and B (in miles):	
D) Total Moving Expense Allowance (in dollars): (See chart in policy)	

The moving expense allowance will be issued with the next available payroll following approval of the Request for Moving Expense Allowance Form by the appropriate Vice President and the Vice President of Finance and Administration. The Allowance will be taxed at the federal supplemental tax rate of 25%.

\_\_\_\_\_  
Employees Signature

\_\_\_\_\_  
Date Signed

*\*Additional Allowance: Arrangements for the additional allowance must have been approved in advance of the offer of employment.*

Specify Additional Amount: \_\_\_\_\_

Specify Reason for the Additional Amount: \_\_\_\_\_

\_\_\_\_\_  
Account Number to Charge: \_\_\_\_\_

\_\_\_\_\_  
Signature of Vice President

\_\_\_\_\_  
Date Signed

\_\_\_\_\_  
Signature of Vice President, Finance & Administration

\_\_\_\_\_  
Date Signed