Payment of Moving Expenses

Payment to a commercial moving company for the shipping of household goods, as provided in these guidelines, may be processed as individual reimbursements or direct payment to the carriers with an approved purchase order, which should be processed by the employing department using account code 765100. Commercial moving company expenses are the only type of moving expense that may be direct-billed to the University.

Reimbursement of allowable moving expenses should be requested following the employee’s hire date by processing a reimbursement voucher. Receipts are required as supporting documentation for all expenses, except for mileage claimed using the standard mileage rate. Moving expenses will be reimbursed through the Accounts Payable department with any applicable income and employment taxes withheld on the next payroll check.

Contact the Central Purchasing and Risk Management Department (575/646-2916) for moving company vendors at pre-negotiated rates. This optional service is available to all NMSU departments and new employees.
Qualified Reimbursable Expenses

Not subject to tax withholding

Qualified reimbursable expenses (not subject to tax withholding) include the reasonable expenses of moving your household goods and personal effects, and traveling (including lodging but not meals) to your new home. The cost of traveling from your former home to your new one should be by the shortest, most direct route available by conventional transportation. If during your trip to your new home, you stop over or make side trips for personal reasons, any additional expenses incurred are not deductible as moving expenses.

Reasonable expenses may include the following:

- Commercial moving company
- Charges for packing, crating, mailing and/or shipping household goods, and other miscellaneous packing supplies
- Rental truck
- Storage and insurance while in-transit if incurred within any consecutive 30-day period after removal of the goods and personal effects from the old residence and before delivery to the new residence.

Non-Qualified Reimbursable Expenses

Subject to tax withholding

- Travel and lodging costs incurred during additional trips from the old residence to the new residence
- Cost of meals at any point in the relocation process
- House or apartment hunting expenses
- Storage charges other than for in-transit storage

Examples of Expenses Not Paid by the University

NMSU follows current IRS guidelines in determining whether claimed moving expenses are treated as qualified or non-qualified for tax purposes. In addition, requested expenses must also follow established University policies and procedures. The following represents a listing of examples of moving expenses not reimbursable by the University:

- Per diem or meal allowances. (All lodging and meal expenses claimed must be supported by receipts)
- Storage beyond the allowable 30 days in transit
- Shipments of cars, if not used in the move
- Connecting or disconnecting utilities
- Travel and lodging costs for one trip (employee and family) from the old residence to the new residence, which may include:
  - Actual gas cost, based upon receipts or current IRS per mile rate for personal or rental vehicles
  - Lodging as follows: (1) One night within the general location of the old residence after it is no longer suitable for occupancy, (2) En route to the new residence, (3) One night on the date of arrival
  - Airfare (coach only)
  - Tolls or parking
  - Household pet shipping charges

- Meals and travel costs incurred by laborers
- Expenses incurred by persons not considered to be dependents for tax purposes
- Cost related to immigration
- Loss of security deposits
- Real estate expenses
- Postage costs for realty and mortgage documents
- Personal telephone calls, tips, movies or other entertainment
- Extraordinary items requiring special handling (e.g., boat)
- Bank fees for cashier checks
- Miscellaneous vehicle expenses such as depreciation, maintenance and repairs, tires, security devices, insurance and registration fees
- Any expense related to the purchase of alcohol
- Purchases of furniture and other household or personal items
- Any other type of moving expense not considered to be reasonable

IRS Publication #521, http://www.irs.gov. If the tests are not met, moving expenses will be reported as taxable income subject to applicable income and employment taxes.

If we may be of assistance in any way.
Travel Office: 575/646-1189
Toll Free: 800/743-7545
travel@nmsu.edu