MISSISSIPPI STATE UNIVERSITY

Guidelines for Reimbursing Relocation Costs for New Employees

Mississippi State University is authorized to reimburse relocation costs for a new, contractual employee using any source of funds that is not otherwise restricted for this purpose. Reimbursement of relocation costs for non-contract employees is currently not allowed. Relocation costs for contract employees must be included as an attachment to the first year contract. With the exception of active duty, military personnel (see below), all such reimbursements will be:

- Subject to withholding for applicable federal and state income taxes and other applicable taxes and deductions, and
- Will be reflected on the Employee's Form W-2 tax statement.

The new employee cannot incur financial obligations on behalf of the university, but may be personally reimbursed upon presentation of a receipt(s) for costs incurred under the following guidelines.

- The recruiting department should establish a reasonable limit on the total amount of relocation costs that will be reimbursed to the new employee.
- Receipted costs for the movement of household goods using a commercial mover or self-moving (rental of truck, hiring of labor, etc.), may be reimbursed.
- Other travel costs associated with relocating the employee and their dependents may be reimbursed as follows:
    - **Mileage** will be reimbursed in accordance with Mississippi State University's Travel Policy. Odometer readings, or **actual fuel costs,** must be provided to the recruiting department.
    - **Meals** will be reimbursed in accordance with Mississippi's current Maximum Daily Meal Reimbursement Policy. No receipt will be required. Expenses should be submitted as a total per day.
    - **Lodging** must be receipted and cannot extend beyond the actual day of arrival at the University location where employment is established.

Exception for Active Duty Military

Employees who are active duty military personnel and who move pursuant to a military order and permanent change of station will not have taxes withheld from their relocation reimbursement and the relocation reimbursement will not be reflected on their Form W-2 statement. This applies for all costs incurred when relocating from the old residence to the new residence.

This exception does not apply to reimbursements for costs incurred prior to relocating from the old residence to the new residence, e.g. trips made for house hunting purposes. Reimbursement for costs such as these, incurred prior to the relocation, will be:

- Subject to withholding for applicable federal and state income taxes and other applicable taxes and deductions, and
- Will be reflected on the Employee's Form W-2 tax statement.