



## LOUISIANA COMMUNITY & TECHNICAL COLLEGE SYSTEM

### PAYROLL MEMORANDUM 2017.30

#### *Changing Lives, Creating Futures*

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**TO:** All Human Resources and Accounts Payable departments of Community and Technical Colleges, including Baton Rouge Community College, Bossier Parish Community College, Central Louisiana Technical Community College, Delgado Community College, L. E. Fletcher Technical Community College, Louisiana Delta Community College, Northshore Technical Community College, Northwest Louisiana Technical College, Nunez Community College, River Parishes Community College, South Central Louisiana Technical College, South Louisiana Community College, SOWELA Technical Community College and the LCTCS Office

**FROM:** Sharon Dunham  
LCTCS Payroll, Senior Payroll Manager

**DATE:** November 30, 2017

**RE:** Moving Expenses Nontaxable

Any amount provided to an employee, directly or indirectly, as payment for, or reimbursement of, moving expenses is covered by the fringe benefit exclusion rules established by the Internal Revenue Service. The exclusion applies only to reimbursement of moving expenses that the employee could deduct if he or she had paid or incurred them without reimbursement. The excluded benefits are not subject to Federal income tax withholding. In most cases, they are not subject to Medicare.

You can generally exclude qualifying moving expense reimbursements you provide to an employee from the employee's wages. If you paid the reimbursements directly to the employee, the employer must report the amount in the designated box of the Form W-2.

Earning Code JMN has been established in Banner for this purpose. This code allows the reporting of these moving expense reimbursements for tracking purposes only and such amounts entered with the JMN earning code will be available for reporting on the Form W-2.

**Note:** Do not report payments made to a third party for the employee's moving expenses to the JMN earning code.

Questions on whether your institution should/should not report moving expense reimbursements by use of the JMN earning code should be addressed to your College's Finance Office. Sharon Dunham, Sr Payroll Manager, should be notified of any moving expenses that are required to be reported on the Form W-2. All coding for 2016 be completed by the pay period ending December 17, 2017.