

PCG Alert
10/09/18

Moving Expenses Update

Please forward this alert to those in your Organization who need this information

The IRS has announced that employer payments or reimbursements in 2018 for employees' qualified moving expenses **incurred in 2017** are excluded from the employees' wages for income and employment tax purposes. (<https://www.irs.gov/pub/irs-drop/n-18-75.pdf>)

To qualify, reimbursements must be for work related moving expenses that would have been deductible by the employee if the employee had directly paid them prior to January 1, 2018. Please refer to "PHRST Memorandum 17-10" for instructions on entering qualified moving expense reimbursements in PHRST.

(<https://extranet.phrst.state.de.us/production/communications/memos/17-10.pdf>)

Moving expense reimbursements or payments made for job-related moving expenses incurred in 2018 are taxable and must be reported as MRT in PHRST. Please refer to the "Suspension of Moving Expense Deduction" alert distributed on January 1, 2018.

Please contact the Payroll Compliance Group at PCG.DOA@state.de.us if you have any questions regarding Moving expenses.

PCG Alerts are posted on the DOA Website:

https://accounting.delaware.gov/payroll_comp/communications.shtml