

Valdosta State University Transition Allowance

VSU offers a Comprehensive Employee Transition Allowance in lieu of Relocation expenses. Based on the enactment of the Tax Cuts and Job Act (TCJA), reimbursement of actual qualified moving expenses incurred is required to be included in the gross income of the employee receiving these payments. This rule applies whether the employee incurs the moving company expense directly or indirectly. As a result, in order to attract highly qualified faculty and staff, the University may choose to reimburse deductible relocation expenses if:

- funds are available in the department budget.
- the University is in danger of losing the most qualified candidate, and
- the distance between the old home and the new place of work is at least 100 miles greater than the distance between the old home and the old place of work, and

A comprehensive transition allowance is negotiable **up to** \$5,000 per employee and must be set out in official written employment offers. Payroll will process the flat rate as additional taxable compensation through the payroll system with all applicable taxes and FICA amounts deducted. Receipts or bids are no longer required. The allowance will be paid to new employees once the relocation has occurred, during their first month of employment. Employees who receive the transition allowance but do not relocate must repay the monies immediately.