

# Wisconsin Human Resources Handbook

## Chapter 760

### Reimbursement for Moving Expenses

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#### Sec. 760.010 Introduction

The Department of Administration, Division of Personnel Management (DPM) has delegated to agencies the authority to grant and process reimbursement for moving expenses. The purpose of this chapter is to provide guidance in handling reimbursement requests submitted for moving expenses.

#### Sec. 760.020 Statutory and Rule Authority

Sections 20.917(1) and (2) Wis. Stats, and Section F, 10.00 of the Compensation Plan provide for the payment of state civil service employees' moving expenses. The DPM administrator may, under s. 20.917(6), Stats., delegate authority for approval of moving expense reimbursement payments to an appointing authority when deemed appropriate. The public safety collective bargaining agreement may include specific language governing reimbursement of moving expenses which will supersede provisions in this chapter.

#### Sec. 760.030 Definitions

1. **Household Effects:** Personal effects of the employee and immediate family of the employee, such as furniture, clothing, musical instruments, household appliances, food and other items which are usual and necessary for the maintenance of a household and which may be transported legally in interstate and intrastate commerce. It does not include property which is for resale or disposal rather than for the use by the employee or employee's immediate family; nor does it include such items as automobiles; motorcycles and similar motor vehicles; boats; pets; farm tractors and farm equipment; livestock; trailers with or without other property (except a house trailer or mobile home used as the appointee's residence); building materials; fuels and belongings related to commercial enterprises engaged in by the employee or employee's family.
2. **Piecemeal Move:** The moving of household goods or property in two or more trips.
3. **Stipend:** A fixed amount intended to be used for those incidental expenses that are not reimbursable as direct expenses of moving household goods.

**Sec. 760.040 Basic Concepts**

1. Eligibility

a. Employees

Classified and unclassified employees, except for limited term employees, are eligible for moving expense reimbursement when a new place of residence is required under the conditions of employment for the position. Reimbursement may be mandatory or permissive, depending on the situation requiring the relocation. When reimbursement is mandatory, expenses must be reimbursed in full subject to the limitations set forth in this chapter. When reimbursement is permissive, some or all of these expenses may be reimbursed subject to the same limitations.

- 1) Reimbursement is mandatory when the appointing authority requires the employee to change residence location because the employee:
  - a) Is ordered to relocate; or
  - b) Is promoted to a different position in the civil service, and the appointing authority whose agency will be the employer determines that the relocation or promotion requires the employee to change residence.

Reimbursement is on a permissive basis, at the discretion of the appointing authority, for an employee who relocates as a result of a transfer or demotion at his or her own request.

- 3) Reimbursement of expenses is on a permissive basis as recommended by the appointing authority for a person reporting to his or her first place of employment in state service or reporting upon reemployment after leaving the civil service. The reimbursement is always considered permissive, even if the duties of the job require the individual to relocate.

b. Exceptions

- 1) Permissive reimbursement for an employee's moving costs can be allowed only if:
  - a) The distance between the new place of employment and the old residence is at least 35 miles farther than the distance between the old place of employment and the old residence; and
  - b) The distance between the new and old residence is at least 35 miles.

<p><b>Note:</b> If the appointing authority requires a move as a condition of employment these minimum distance requirements are not applicable.</p>
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- 2) No more than two reimbursements for moving expenses may be granted to any employee in a calendar year.
- 3) Unless otherwise authorized by the appointing authority, to be eligible for moving reimbursement the employee must move no later than one year from the effective date of the appointment or the end of probation, whichever is later.

## 2. Reimbursable Expenses of Moving Household Goods

The following items are considered direct costs associated with the transportation of an employee's household effects and are considered reimbursable costs of the move.

- Packing and unpacking
- Containers/boxes
- Linehaul (rate per 100 pounds moved)
- Fuel surcharge
- Insurance surcharge (this is not valuation or additional insurance that the employee can select)
- Long carry
- Seasonal rate adjustment
- Stairs or elevator
- Ferry, bridge or ramp charge
- Additional transportation at origin or destination
- Weight and bulk items charge (except for items not considered household effects)
- Extra labor (disassemble a swing, pool table, etc.)
- Storage - enroute only (see storage under section 3 below).

The maximum dollar amount which may be permitted for reimbursement of any employee's moving costs is subject to the limitations set forth in s. 20.917(2), Wis. Stats.

## 3. Incidental Costs of Relocation

The following costs associated with the relocation of an employee's household effects are not considered direct costs of transporting the household goods and are not directly reimbursable. An employee can use their stipend to pay these costs.

- Valuation/additional insurance
- Disconnection/hook-up of appliances
- Extra pick up or drop off charges of household goods (more than one location)
- Storage at destination (storage of household effects while waiting for a house or apartment to be ready)
- Warehouse handling charges
- Hauling of automobiles, motorcycles or boats
- Weight additives for transporting bulky items
- Travel costs enroute (meals, lodging, tolls, etc.)
- Costs associated with moving items that are not considered household effects.

## 4. Piecemeal Moves:

The appointing authority may approve reimbursement for piecemeal moves necessary to transport the employee's household effects to the new place of residence. The total amount reimbursable for moving household effects to the new residence on a piecemeal basis may not exceed the amount that would have been charged if the move had been accomplished in one trip.

## 5. Stipend

Stipends are provided in accordance with s. 20.917(1)(e), Wis. Stats. The amount of the stipend is established in Section F of the Compensation Plan. For mandatory moves the employee **shall** receive a stipend equal to the amount established in the Compensation Plan. For permissive moves the employee **may** be granted a stipend of any amount up to the maximum established in the Compensation Plan. **A person reporting to their first place of employment, or reporting upon reemployment after leaving the civil service, may only be paid a stipend if that employee receives some other level of reimbursement.**

The stipend should be paid directly to the employee. It is recommended that the stipend not be paid until the agency receives some indication that the move has been initiated.

Eligibility for a stipend is subject to s. 20.917(1)(e), Stats., and applies to all types of moves (carrier, self or mobile home).

IRS rules state that all of the stipend is taxable to the employee.

6. Transporting the Employee and Family

The amount of reimbursement for transporting the employee and his or her immediate family to the new place of residence may not exceed the cost of mileage for one automobile at the rate specified in the Uniform Travel Schedule Amounts in effect at the time of the move. The maximum allowable amount shall be based on mileage using the most direct route.

The amount that the state reimburses for moving expenses is taxable to the employee.

7. Moving Without a Carrier

When an employee elects to move himself/herself:

a. Reimbursement is limited to actual reasonable, and necessary costs for:

- 1) Hired professional labor in loading and unloading household effects;
- 2) Rental of trucks, trailers, moving equipment;
- 3) Standard insurance offered by the rental company; and
- 4) Other legitimate expenses incidental to the move.

**Note:** Original receipts must support the reimbursement claim.

b. Reimbursement is not permitted for:

- 1) Costs which exceed the limitations of 2. above;
- 2) Labor charges of an employee or the employee's immediate family (as defined in s. ER 18.01 (4), Wis. Adm. Code).

8. Moving Mobile Homes

Occasionally, a move involves relocating a mobile home. The following guidelines apply to the relocation of a mobile home:

a. Where transportation of the mobile home is by commercial transporter, the vendor should be selected in accordance with the procedure defined in Sec. 760.050, 1.d, of this chapter.

b. Reimbursement shall not be allowed for:

- 1) Purchase of parts and materials, repairs, or breakdowns in transit.
- 2) Maintenance costs of the mobile home or for separate shipment of household effects that can reasonably be expected to be transported in the mobile home.
- 3) Transportation to locations not on a direct route to the ultimate destination, or loading or unloading at any other location than the destination.
- 4) Modifications to a private lot to properly transport or block a mobile home.
- 5) Modifications to basic plumbing, electrical or other utility systems at the new site.
- 6) Damage to mobile home or its contents.

- c. Reimbursement for moving the mobile home and other household effects may not exceed the amount permitted by 760.040(2).
- d. Expenses incurred at the origin of the move to unhook sewer, plumbing, electrical, and gas lines and to hookup these utilities at the new site are considered incidental costs and could be covered by the stipend.

9. Relocation Incentive Awards

The Compensation Plan authorizes Relocation Incentive Awards for certain employees, which are in addition to stipends and moving expense reimbursements. At the time of publication, these relocation incentive provisions were in Section A of the Compensation Plan. Relocation Incentive Awards cannot be provided without pre-approval by the DPM Bureau of Classification and Compensation.

**Sec. 760.050 Procedures for Employee Reimbursement**

1. Agency

- a. Determine if the employment transaction will result in reimbursement of moving expenses.
- b. The employee must be counseled that he/she is liable for all charges incurred as a result of the move. The moving firm is to bill the employee who will pay the moving firm and then file claim through his/her agency for reimbursement of allowable expenses. The employee should be advised to obtain a bill of lading and an invoice to submit with the claim for reimbursement.
- c. Counsel the employee on the provisions of the statutes and this chapter of the Wisconsin Human Resources Handbook to assure that the employee knows in advance the type of moving expenses paid by the state, the various conditions under which such expenses are reimbursed, and the procedures the employee must follow for reimbursement of such expenses.
- d. Inform the employee that s/he should obtain at least two but not more than three estimates from reputable firms; binding estimates should be obtained whenever possible. Copies of the estimates must be submitted to the agency with the reimbursement request.
- e. Advise the employee to make certain that all necessary arrangements for housing in the new location have been made well in advance of the moving date. The state cannot pay for temporary lodging expenses, except as provided in Chapter 774 of the Wisconsin Human Resources Handbook.

2. Employee
  - a. Contact at least two but not more than three carriers to advise them of the estimated moving date, departure, and destination. Arrange for an appointment with the movers to inspect the departure site well in advance of the moving date so the carriers understand the scope of the move and can identify any potential problems. Clearly indicate to the movers what personal effects the employee prefers to handle.
  - b. Check with the movers as to the extent of “release weight” property insurance included in the estimates. Employees may, at their own expense or from their stipend, purchase additional and/or special insurance coverages.
  - c. Determine if the transportation or preparation charge exceeds any of the costs limitations specified in Sec. 760.040, of this chapter. If so, that portion must be at the employee’s expense and arrangements agreed upon in advance with the mover for payment of those expenses.
  - d. Coordinate arrangements through the agency *prior to the move* to insure that charges are eligible for reimbursement.
  - e. Submit the original paid invoice and bill of lading for the moving firm’s charges and the claim for the allowance of transporting members of the employee’s immediate family to the new place of employment on a travel voucher. For binding estimates, the actual weight may not be provided. In such cases the estimated weight or volume must be attached to the reimbursement request along with the binding estimate.
  - f. Report reimbursement on income tax return if required by IRS regulations.

**Sec. 760.060 Additional Procedures for New Appointees or Rehired Employees**

The agency must review estimates as outlined in Sec. 760.050, of this chapter, except that a copy of the approved request must be attached when submitting the claim for payment.

**Sec. 760.070 Administrative Information**

This handbook chapter was updated in August 2004 to post electronically. No administrative changes were made since last revised on June 27, 1986, as follows:

Increased the weight limit used to compute the reimbursement rate for moving household effects from the amount required to transport 10,000 pounds to the amount required to transport 15,000 pounds.

Provided a stipend of \$600 to cover preparation of household effects and other indirect moving expenses. The separate \$300 allowance for the preparation of household effects was eliminated.

Increased the maximum amount of reimbursement for combined costs associated with moving expenses to \$11,082.00, due to the increased maximum weight limit and \$600.

Allowed for reimbursement of moving expenses at a rate not to exceed that available to federal appointees for employees who make international moves to the continuous 48 states, subject to approval of the Secretary of the Department of Employment Relations and availability of funds.

This handbook chapter was revised February 2016 to remove distinctions between represented and non-represented staff, to remove language related to maximums based on tariff rate tables, to clarify mandatory and permissive moves, and to reference the Compensation Plan for information on the current stipend amount, mileage reimbursement rates, and relocation incentive awards. Pursuant to the changes introduced by 2015 Wisconsin Act

55, in July 2015, the Office of State Employment Relations was eliminated and the functions were transferred into the newly created Department of Administration, Division of Personnel Management. This chapter was updated to reflect the changes in terminology that resulted from the organizational restructuring.

This chapter was revised in August 2018 to note that all moving expense reimbursements are now taxable income, effective January 1, 2018 through December 31, 2025, in accordance with the Tax Cuts and Jobs Act of 2017. In relation to this tax change, provisions allowing agencies to bypass payment to an employee and directly reimburse moving vendors were removed. Subparagraph 760.040 1.b. was rewritten from the perspective of when reimbursements may be provided rather than when they are prohibited, in an effort to provide greater clarity. This chapter was also updated to reflect organizational changes that occurred to the Division of Personnel Management in conjunction with the implementation of Shared Services. The Bureau of Compensation and Employment Relations was divided into two separate bureaus: The Bureau of Classification and Compensation and the Bureau of Employee Management.