



Business Matters @ Sac State

Topic: Travel & Moving/Relocation Mileage Rate Increase – Effective: January 1, 2018

DATE: January 31, 2018

TO: Campus Business Partners, Deans, Associate Deans, Department Chairs, Directors, and Managers

FROM: Daljit Khangura, Director, Accounts Payable & Travel

STANDARD BUSINESS TRAVEL:

The California State University has a new rate for Standard Business Travel reimbursement based on the IRS changes, effective for business travel occurring on or after January 1, 2018.

- The rate **increased** from 53.5 cents per mile to **54.5 cents per mile**.

The Accounts Payable website and all documentation mentioning mileage rates have been revised to reflect the increased rate.

For all travel before January 1, 2018, please be sure to change the mileage rate on the Travel Expense Claim form to **insure the mileage is calculated at the prior rate**.

The Travel Policy will be updated to reflect this new rate.

MOVING AND RELOCATION:

The California State University has a new rate for Moving and Relocation mileage reimbursement effective for new or relocated employees moving on or after January 1, 2018.

- The rate **increased** from 17 cents per mile to **18 cents per mile**.
- The tax reform bill (H.R. 1, P.L. 115-97), which was enacted on December 22, 2017, included a change to the taxability of moving and relocation expenses. In 2017 and prior years, certain “qualified moving expenses” for new employees were excluded from gross income. As of January 1, 2018, all moving expenses paid or reimbursed by the CSU are taxable as wages to the recipient. The exclusion from gross income in Internal Revenue Code 217, as well as the fringe benefit rule in 132(g), are suspended from 2018-2025.
- Due to this change, Accounts Payable & Travel will not require receipt for moving & relocation. **However, the departments can request receipts from the claimants.**

The Accounts Payable website has been updated to reflect the increased rate.

Contact Information:

If you have any questions; and/or, concerns about this notice, please contact the Accounts Payable & Travel Office at aba-fin-ap-travel@csus.edu, ext. 86476. Thank you.

Financial Services and Budget Planning & Administration

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