

Relocation and House Hunting Allowance

Payment Guidelines

The following guidelines list the steps and related information to process a request for Relocation and House Hunting Allowance Payments through the Engineering Payroll Office. Allowances apply to new employees only.

1. *All employee relocation expenses must be paid from local funds. **No state funds may be used.***
2. *Federal Income Tax will be computed at the supplemental payment rate in addition to FICA deductions.*
 - a. *The supplement must indicate whether the supplement should be grossed up. Supplements will only be grossed up when requested. The default will be to deduct taxes from the specified amount.*
3. *IRS considers allowances as Wages and therefore will be reported in Box 1 on their W-2.*
4. *Relocation and House Hunting Allowance Payments are not subject to retirement in accordance with Texas Administrative Code Chapter 25.6(a)(5)(A).*
5. *No payments will be made directly to moving companies, hotels, or any other vendors providing moving, travel or house hunting services. This restriction is applicable to payments made on the payment or travel cards.*
6. *All relocation allowances processed prior to hire date will be paid via check and the department or employee will be required to come to the Engineering Payroll Office to pick it up. The same rules apply for all relocation allowances processed after the hire date unless the employee has set up direct deposit during Workday Onboarding.*
7. *Receipts are not required for 'allowances'.*
8. *The payment of Relocation and House Hunting Allowance Payments has no impact on temporary housing, which is already processed as taxable.*
9. *An employee should receive their entire Relocation and House Hunting Allowance as one single payment unless approved otherwise.*
10. *If additional Relocation and House Hunting funds are requested, supporting documentation and approvals must be submitted with the supplement.*
11. *If an incoming faculty is paid a Relocation and House Hunting Allowance and does not become employed by Texas A&M Engineering, it is the department's responsibility to fully reimburse TEES.*

Payments PRIOR TO HIRE DATE:

1. *Submit an I2H as you would with all prospective hires.*
2. *Submit the following documents to Engineering Payroll:*
 - a. *W-9 (US Citizens) or W8-BEN (Foreign Nationals)*
 - b. *Payroll supplement*
 - c. *Copy of the employee's offer letter*
3. *Payments will be processed within 3-5 business days upon completion of the above processes.*

Payments made AFTER HIRE DATE:

1. *Submit the following documents to Engineering Payroll:*
 - a. *Payroll supplement*
 - b. *Copy of the employee's offer letter*
2. *Payments will be processed on the next scheduled Biweekly Pay Date in accordance with the due dates reflected on the Engineering Payroll Processing Calendar.*