

SAM—PAYROLLS

MOVING EXPENSES

8572.1

(Revised 12/02)

Federal and State laws require that all payments for moving expenses be reported for income tax purposes. State agencies will report moving expense payments to the SCO. (Refer to the [PPM](#) Section N 147, et seq.) Where applicable, payments will be included on the employee's W-2 form.

Federal and State laws require the withholding of income, Social Security, and Medicare taxes from certain moving expense payments. **It is imperative that the employee be notified, prior to moving, that certain moving expense payments are subject to withholding.**

For reimbursement information on moving expenses, refer to the CalHR Regulations [599.714 to 599.724.1](#). Federal income, Social Security, and Medicare tax questions should be directed to the Internal Revenue Service ([IRS](#)). State income tax questions should be directed to the Franchise Tax Board ([FTB](#)). Employees requesting tax advice should be referred to the IRS Publication [521](#)--Moving Expenses, the IRS website: <http://www.irs.gov>, or any local IRS office.