**I.R.S. TESTS FOR PREPARING**

**RELOCATION EXPENSE CLAIMS**

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| **Distance Test**   |  |  |  |  | | --- | --- | --- | --- | | Number of miles from former residence to new place of work: |  |  |  | |  |  |  |  | | Number of miles from former residence to old place of work: | < |  | > | |  |  |  |  | | **Net number of miles:** |  |  |  |   The net number of miles must be at least 50 to use non-withholding object codes. If the net number of miles is less than 50, the withholding object codes must be used because the relocation will be fully taxable. See the **RELOCATION EXPENSE RECAP** to determine which object codes to use. |

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| **Time Test**   |  |  | | --- | --- | | Effective date of relocation: |  | |  |  | | Date expenses occurred: |  |   If the date the expenses were incurred is one year or less than the effective date of relocation, use the non-withholding object codes. If the date is more than one year, the withholding object codes must be used because the relocation will be fully taxable. See the **RELOCATION EXPENSE RECAP** to determine which object codes to use. |

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| **Employment Test**  Is the move a condition of employment?  YES  NO  If the move is a condition of employment, use the non-withholding object codes. If the relocation is not a condition of employment, the withholding object codes must be used because the move will be fully taxable. See the **RELOCATION EXPENSE RECAP** to determine which object codes to use. |