

Department of Administrative Services - State Accounting Enterprise

Section	Procedure Number	Page Number	Effective Date
PRE-AUDIT	210.220	1 of 2	July 31, 2017
Subject TRAVEL IN-STATE – REGISTRATION FEES			

Under the Tax Reform Act of 1986, registration fees and meal costs are deductible as business expenses at different percentages. It is the State's intent to conform as closely as possible to IRS requirements relative to these costs. We realize it is not feasible to separate meal costs from registration fees for non-state sponsored functions, except when the function is a meeting surrounding a meal and the entire cost of the meeting is for the meal, such as award banquets, luncheon meetings, etc. However, it is possible to separate the registration fees and meal costs when a state department is sponsoring the function. Some meetings are planned by state employees, although not specifically sponsored by a state department. When this occurs, the determined price of the meal must be separated and coded appropriately. To ensure consistency throughout state government, the following rules shall be followed when the state is paying for individuals to attend functions with registration fees.

1. State departments may or may not have a part in sponsoring a conference. Below is a summary of the main requirements.

a. **State-Sponsored Conference**

- (1) When a conference is sponsored by a state department, the meals and break items must be determined and charged to each individual's vendor customer number. The meals must be coded correctly for the travel status of each individual.
- (2) Prior approval from the Department Head is required for meals and break items if both are a part of the registration fee and in excess of the maximum reimbursement allowed for conference rates. See Procedure 210.115. When individuals from various departments attend the conference, an Exception to State Wide Policy must be submitted to SAE-Daily Processing prior to the conference. The conference will be included on the State Sponsored Conference Calendar website. See Procedure 240.172.
- (3) Break items are included with meal costs.
- (4) Prior approval by the Department Head for lodging is required only if the amount exceeds the maximum lodging reimbursement rate and the individual is not staying at the lodging facility where the conference is being held. See Procedure 210.205.

b. **Non-State Sponsored Conference**

- (1) When a conference is not sponsored by a state department, the meals and break items must be charged to each individual only if the meals and break items are detailed separately on the registration form.
- (2) Prior approval by the Department Head for lodging is required if the amount is in excess of the maximum lodging reimbursement rate and the individual is not staying at the lodging facility where the conference is being held. See Procedure 210.205.

Department of Administrative Services - State Accounting Enterprise

Section	Procedure Number	Page Number	Effective Date
PRE-AUDIT	210.220	2 of 2	July 31, 2017
Subject	TRAVEL IN-STATE – REGISTRATION FEES		

2. If meals and break items are taxable to individuals, the Internal Revenue Service (IRS) rules require that meal/break items for each individual for whom it was provided is charged as taxable income, regardless of whether or not the individual actually consumed the item. For example, if an individual in his/her domicile pays a registration fee for a state-sponsored conference and meals are included, regardless of whether or not the individual consumes the meals, it is taxable income.
3. Registration fees are to include **ONLY** the pro-rated costs of conducting the conference or seminar, and not costs connected with entertainment.
4. Registration fees for individuals to attend outside organization meetings held regularly (e.g. - American Payroll Association, International Association of Personnel in Employment Security, Associate of the Society of Practicing Accountants and other organizations) are not an allowable expense and will not be reimbursed by the state. See Procedure 230.600, 3.
5. In-state registration fees may be direct billed or paid by the individual. A copy of the registration form must be attached to the travel payment (TP) document for reimbursement. A copy of the registration form must be attached to all TPs submitted by an individual for additional expenses. A copy of the agenda or similar information indicating any meals provided is also required. All TPs must be properly cross-referenced. See Procedure 210.115.
6. When registering for a conference or seminar on the internet, the individual must obtain a paid receipt. If the sponsor does not provide a paid receipt, a printed copy of the registration form or electronic registration acknowledgment with a copy of the cancelled check (front and back) or credit card receipt with appropriate information on the credit card statement will be accepted.