



Jim Pillen, Governor

November 27, 2023

TO: AS State Accounting Financial Contacts
AS State Accounting ICC
AS State Accounting Pre-Auditors
AS State Accounting Everyone

FROM: Philip Olsen Administrator
DAS State Accounting

CC: Jason Jackson, Director
Department of Administrative Services

SUBJECT: Annual Notice for Taxable Commuting, Meals, and Moving Reimbursement

Commuting Use of a State Vehicle:

This is a reminder to all agencies that commuting use of a State vehicle is a taxable fringe benefit reportable on the employee's W-2. State Accounting *Travel Policy #2* contains instructions for agencies on how to enter this information into EnterpriseOne (E1) when an employee meets commuting reporting requirements. Entering this information into E1 is an agency's responsibility; information is not to be submitted to State Accounting for processing.

Meals for One-Day Travel:

When reimbursements incurred for one-day travel meal expenses exceed a cumulative value of \$200 per year, the entire amount is taxable. Amounts coded to object code 571600 – *Meals Taxable* from December 1, 2022 to November 30, 2023 should be reviewed for each employee and reported accordingly. State Accounting *Travel Policy #6* contains instructions for agencies on how to enter this information into E1. Entering this information into E1 is an agency's responsibility; information is not to be submitted to State Accounting for processing. Each agency's Accounting and Payroll area will need to work together to enter the correct information into E1.

Moving Expenses:

Moving expenses paid directly to a vendor on behalf of a teammate or amounts reimbursed to the teammate are taxable. Agency Payroll staff should be notified to do a one-time override using DBA code 5800 to record the expenses as taxable. Use of this DBA code does not create additional pay for the employee, but correctly records these amounts as other taxable earnings.

Please contact Jeff Schamp (jeff.schamp@nebraska.gov) for payroll-related questions; Nyla Thomsen (nyla.thomsen@nebraska.gov) or Gail Witzki (gail.witzki@nebraska.gov) with policy or object code related questions.

Philip J. Olsen

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