

# AAM 60. MOVING

<a href="#">60.310</a>	Introduction to Moving Expenses	04/13
<a href="#">60.315</a>	Definitions	04/06
<a href="#">60.320</a>	Scope of Entitlement to Moving Expenses	11/99
<a href="#">60.325</a>	Taxability of Moving Expense Reimbursements	04/06
<a href="#">60.330</a>	Responsibility of Appointing Authority	11/99
<a href="#">60.335</a>	Employee Move Authorization Request	07/00
<a href="#">60.340</a>	Moving Authorization/Assignment	07/00
<a href="#">60.345</a>	Travel Authorization	04/06
<a href="#">60.350</a>	Reimbursable Moving Expenses	04/17
<a href="#">60.360</a>	Reimbursable Travel Expenses for a Move	06/18
<a href="#">60.370</a>	Responsibility for Expenses	04/06
<a href="#">60.380</a>	New Employee Repayment of Moving Expenses	04/06
60.390	Not Used	
<a href="#">60.400</a>	Exempt and Partially Exempt Public Officials	11/99

## **AAM 60.310 Introduction to Moving Expenses (04-13)**

The purpose of the state's moving policies is to provide clear guidance for reimbursing costs associated with relocating its employees. These policies apply to all employees unless superseded by a collective bargaining agreement negotiated under the authority of the Public Employment Relations Act ([AS 23.40.070 - 23.40.260](#)). It is anticipated that circumstances occasionally warrant deviating from the stated policy. In such cases, written approval must be obtained from the Commissioner of the Department of Administration. Request for a waiver as it relates directly to activity of the Commissioner of Administration must be obtained from the Governor's Chief of Staff.

IRS regulations specify certain levels of reimbursement as nontaxable under an accountable plan for moving expenses. Whenever an employee receives a payment for moving expenses which is required to be reported by IRS regulations, the state will report such reimbursements as required, including withholding income and other taxes as may be applicable.

## **AAM 60.315 Definitions (04-06)**

### Employee

For purposes in applying the moving policies (AAM 60.310 - 60.400), individuals should be considered an employee once an employment offer has been rendered and accepted.

### En route

En route includes the travel between the previous dwelling of the employee and the location where the employee is being relocated to for purposes of the employment.

### Immediate Family Member

The State of Alaska will pay for certain moving expenses for employees and their immediate family. The definition of immediate family includes the following:

- employee's spouse or person cohabitating with the employee in a conjugal relationship that is not a legal marriage
- children of the employee or the spouse whom are unmarried and under the age of 21 years or who, regardless of age, are physically or mentally incapable of self-support ("children" shall include biological child, stepchildren, adoptive children, grandchildren whom are legal dependents of the employee or spouse)
- children under legal guardianship of the employee or spouse
- dependent brothers and/or sisters whom are unmarried and under the age of 21 years or who, regardless of age, are physically or mentally incapable of self-support
- dependent parents or parent-in-law
- dependent grandparent

### Permanent Accommodations

For purposes of a move, an employee is considered to be in permanent accommodations when they have moved into rented or owned real estate that does not meet the definition of temporary quarters (defined below).

### Premove

A premove is when the employee is allowed to travel to the location of the new employment for purpose of searching and/or securing permanent accommodations.

### Temporary Quarters

Lodging obtained for the purpose of temporary occupancy from a private or commercial source. In determining whether quarters are temporary, consider such factors as the duration of the lease, movement of household effects into the quarters, the type of quarters, employee's intent, attempts to secure permanent accommodations, and the length of time the employee will occupy the quarters.

Temporary quarters may be necessary for employees either at the former location of their residence or at their new residence location. For instance, temporary quarters may be needed to accommodate employees and their immediate family when the moving company has packed and obtained all their household goods for shipment, which would no longer allow them to stay at their residence.

Temporary quarters may also be necessary for employees and their immediate family prior to them securing permanent accommodations at their new location.

## Transportation Expenses

Transportation expenses may include airfare, mileage, ferry, and/or car rental.

- Airfare includes one-way tickets for the employee and immediate family.
- Mileage is paid for driving a family-owned vehicle (limit two) in accordance with bargaining unit agreements or the AAM.
- One-way ferry tickets for the employee and immediate family plus each vehicle (limit two).
- The cost of renting an appropriate vehicle for personal use before, during, or after the move may be reimbursed by the state. The employee is responsible for any insurance coverage of the rented vehicle.

<b>AAM 60.320</b>	<b>Scope of Entitlement to Moving Expenses (04-06)</b>
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When existing employees are required by the appointing authority to change their place of residence because of a change in assignment or other reason related to their duties, employees will be reimbursed for actual and necessary expenses in accordance with AAM 60.310 - 60.400.

When employees elect to change their place of residence to accept employment or a promotion, they may be reimbursed, at the agency's discretion, for all or part of actual and necessary expenses in accordance with AAM 60.310 - 60.400.

All costs, including travel expenses and the cost of moving personal effects of members of the employee's household, must be incurred within one year from the date of the change in assignment, appointment, or promotion.

<b>AAM 60.325</b>	<b>Taxability of Moving Expense Reimbursements (04-06)</b>
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Many aspects of a move are taxable compensation and required to be reported in the payroll system for proper withholdings. Agencies process payments through the financial system or the payroll system. When payments are processed through the financial system, both the taxable and nontaxable portions must be recorded in the payroll system concurrent or within 30 days of the financial system payment.

When an employee who is separating from state service or going on seasonal leave-without-pay has an outstanding reportable moving expense, the expenses must be recorded in the payroll system prior to separation to ensure sufficient gross pay from which to take applicable taxes and deductions.

See [AAM 320](#) for additional information on the taxability of moving reimbursements and the procedures to be followed.

<b>AAM 60.330</b>	<b>Responsibility of Appointing Authority (04-06)</b>
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The appointing authority is responsible for ensuring the Division of Personnel has authorized recruitment of qualified employees from outside the immediate

work station unless the employee is appointed to an exempt or partially exempt position (see [AAM 60.380](#) - New Employee Repayment of Moving Expenses).

The appointing authority is also responsible for ensuring that persons subject to these policies are aware of pertinent limitations before a move is authorized. Each appointing authority will limit the number of days of per diem allowed to persons who drive to their new stations, which is defined in [AAM 60.350](#) as the most direct route and efficient means. Weight and dollar limitations, the need for itemized receipts or invoices, the meaning of the reimbursement agreement, and other related matters shall be explained before any reimbursable expenses are incurred. Employees shall be advised of the potential taxability of moving expense payments (see [AAM 320](#)).

<b>AAM 60.335</b>	<b>Employee Move Authorization Request (07-00)</b>
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Whenever an employee is being moved at state expense, an Employee Move Authorization Request form must be completed and approved by the division director (or designee) before expenses are incurred. The hiring agency and the employee are responsible for completing separate parts of the form, and both the employee and the director or director's representative must sign. This form is available on the Division of Finance web site:  
(<http://doa.alaska.gov/dof/forms/index.html#move>).

The form highlights necessary information for both the employee and the state regarding the move, and informs the employee of pertinent state moving policies. It also notifies new state employees of the requirement to repay the state for state-paid moving expenses in the event they voluntarily leave state service before completing two years of state employment (as provided in section [AAM 60.380](#)).

<b>AAM 60.340</b>	<b>Moving Authorization / Assignment (07-00)</b>
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In addition to the Employee Move Authorization Request form, a Moving Authorization/Assignment form must be completed and approved by the division director (or designee) before reimbursable expenses are incurred. This form formally advises the employee and/or a carrier that an official move has been authorized. This form is available on the Division of Finance Web site:  
(<http://doa.alaska.gov/dof/forms/index.html#move>).

Employees wanting to assign their interest in the reimbursement of moving expenses must complete the assignment portion of the form. When the assignment portion has been completed, the carrier will bill the state for whatever amount is properly authorized on the Moving Authorization / Assignment form. A copy of the Moving Authorization / Assignment with the assignment portion completed must be given to the carrier and must accompany its bill to the state.

**AAM 60.345****Moving Expense Report (04-06)**

The Moving Expense Report (MER) is used to itemize expenditures of an approved move and to request reimbursement of all employee-paid moving expenses. The appointing authority is responsible for ensuring that all costs associated with the move are summarized on the MER before it is submitted for payment. Costs paid to third parties should be clearly indicated on the MER. This form should be completed at the same time as the payroll report for moving. These forms are available on the Division of Finance Web site in the Moving Reimbursement Payroll Report workbook, available at: <http://doa.alaska.gov/dof/forms/index.html#move>.

**AAM 60.350****Reimbursable Moving Expenses (04-17)**

All moving-related travel must be by the most direct route and efficient means. The employee will not be reimbursed for expenses that result from a deviation for personal convenience.

Employees may be reimbursed for the following actual moving expenses:

1. Actual and necessary expenses charged by a commercial mover for packing, transporting, and unpacking up to fifteen thousand (15,000) pounds of household and personal effects. If mailing any items for which the employee wishes to be reimbursed, the postage receipt must include the pounds mailed.

Up to two vehicles may be shipped (or driven) which are not included in the 15,000 pounds. The weight of the vehicles shipped may not exceed 12,000 pounds. Vehicles may include automobiles, trucks, motor homes, motorcycles, aircraft, boats, snow machines, or other vehicles. The cost of moving personal effects in excess of the allowable weight will be paid by the employee.

Reasonable and adequate competition must be solicited when acquiring commercial moving company services. If the anticipated/actual cost is over \$10,000, a minimum of three verbal quotes is required. If the anticipated/actual cost is over \$50,000 a minimum of three written quotes is required. If the least expensive moving company is not used, any additional cost (over what the state would have paid) of moving personal effects will be paid by the employee unless adequate documentation that justifies using a more expensive alternative is approved, in advance, by the employee's division director (or director's representative).

2. In-transit premium insurance coverage up to a maximum of three hundred dollars (\$300) for in-state moves, and up to one thousand dollars (\$1,000) for out-of-state moves. However, if there is partial damage to the shipment, then the replacement value or repair of individual articles may be contested or depreciated by the vendor. If the full value replacement cost of an article or articles is of major concern, the employee is encouraged to buy additional insurance at their own expense.

3. In-transit storage up to thirty days.
4. The cost of renting a trailer or truck to move household effects and charges by a commercial hauler to tow house trailers containing the personal effects of an employee provided that the total cost of the move is not in excess of the cost of moving fifteen thousand (15,000) pounds of household effects by commercial carrier.
5. The privately owned vehicle reimbursement rate (see [http://doa.alaska.gov/dof/travel/resource/POV\\_Rate\\_Table.pdf](http://doa.alaska.gov/dof/travel/resource/POV_Rate_Table.pdf)) will be used by the State of Alaska to reimburse employees for moving their personal vehicle and/or towing a house trailer or other trailer or driving a truck containing the household effects of an employee, provided that the total cost of the move is not in excess of the cost of moving fifteen thousand (15,000) pounds of household effects by commercial carrier.
6. The cost of renting an appropriate vehicle for personal use before, during, or after the move (for example while a personal vehicle is being shipped) may be reimbursed by the state at the discretion of the appointing authority. Such reimbursement is limited to a maximum of 15 days total rental for all aspects of the move. Since this is a vehicle rented for personal use, the employee is responsible for insurance coverage and the vehicle may not be rented under the state's contract for rental vehicles. The state assumes no liability. In addition, all reimbursements are taxable compensation to the employee.
7. When required to report for duty at a location other than their assigned duty station for a period estimated to be not less than three nor more than six months, employees may be reimbursed for actual household moving costs up to one thousand (1,000) dollars each way plus round trip transportation for the employee, spouse, and dependents.

**Note: The cost of transporting animals will not be reimbursed, nor will additional shipping costs associated with special items such as plants, antiques, collector's items, firearms, etc.**

## AAM 60.360

## Reimbursable Travel Expenses for a Move (06-18)

Employees may be reimbursed for travel expenses associated with a move as follows:

1. Lowest cost/economy class airfare (one-way) for the employee and immediate family or at the State of Alaska approved privately owned vehicle reimbursement rate as defined on [http://doa.alaska.gov/dof/travel/resource/POV\\_Rate\\_Table.pdf](http://doa.alaska.gov/dof/travel/resource/POV_Rate_Table.pdf) for driving each family-owned car, truck, or motor home, whichever is used. **Limit: reimbursement shall be for no more than two vehicles, whether driven, or shipped as allowed under [AAM 60.350](#).**
2. When applicable, a ticket (one-way) for all immediate family members and each conveyance (limit two) for transportation on the Alaska Marine

Highway System. A stateroom will not be provided nor paid by the state unless the voyage is at least 12 hours and overnight.

3. An M&IE allowance is paid in accordance with the following paragraphs. M&IE allowance is not prorated but is a flat amount paid for each day. However, only one type of M&IE allowance may be paid for a given day, that is, an employee may not receive an en route M&IE allowance and a househunting M&IE allowance for the same day.
  - a. En route M&IE allowance – The employee will be paid a daily M&IE allowance amount of \$60, \$50 for the employee's spouse or person cohabitating with the employee in a conjugal relationship, and \$25 for each of the employee's other immediate family members while en route to the duty station.
  - b. Househunting per diem – Per diem is paid at the M&IE allowance applicable rate as specified in paragraph 3.a and the lodging reimbursement as specified in paragraph 4. Per diem while househunting is limited to a maximum of fifteen days. The fifteen-day limit applies to premove househunting, time spent at the previous location after goods are moved, and time spent at new location before settled into new residence.

Upon arrival at the new duty station and while looking for permanent accommodations, the employee, and immediate family members are entitled to per diem. Such per diem will end when the employee moves into permanent accommodations or when the fifteen days maximum per diem is reached, whichever comes first.

A premove househunting trip may be authorized by the appointing authority if the change in duty station is at the request of the employer. Per diem for the employee and spouse is at the same rate as paragraphs 3.a above and 4 below. No costs or per diem will be paid for other dependents on a premove househunting trip. However, before a premove househunting trip is authorized, the appointing authority should refer the employee to the move authorization request and [AAM 320](#), which explains the tax consequences (all costs of a premove househunting trip, transportation, per diem, etc., are taxable to the employee) of the trip.

4. Employee lodging costs associated with a move will be paid at the actual receipted cost. Additional accommodations necessary for family members may be reimbursed if approved in advance per the moving authorization form ([http://doa.alaska.gov/dof/forms/resource/move\\_auth.pdf](http://doa.alaska.gov/dof/forms/resource/move_auth.pdf)). Actual costs for lodging are authorized for moderately priced commercial lodging. Each agency must ensure that lodging costs are reasonable and necessary. Employees may claim \$30/day noncommercial lodging if commercial lodging is not used. Noncommercial lodging is taxable income to the employee. Premove and temporary housing is limited to a total of 15 days.

**AAM 60.370****Responsibility for Expenses (04-06)**

Employees are responsible for paying all moving expenses. Employees may:

1. Request reimbursement of moving expenses within the limitation of these policies by submitting itemized receipts or invoices.
2. Assign their interest in the reimbursement of moving expenses by completing the assignment portion of the Moving Authorization / Assignment form in accordance with Section [AAM 60.340](#).

An existing state employee may make a request to the appointing authority for an advance against moving expenses (see exception in [AAM 60.380](#) below). Advances may not exceed 70% of the estimated amount of per diem anticipated for the move. However, new employees, including former employees returning to state service, may not be given an advance against moving expenses.

**AAM 60.380****New Employee Repayment of Moving Expenses (04-06)**

Employees who are new to state service and are assisted with their moving expenses must reimburse the state for all or part of such expenditures in the event the employee voluntarily leaves state service within a period of two years according to the following schedule (this schedule may not be amended without the written approval of the Commissioner of the Department of Administration):

Less than six months	100%
Six but less than twelve months	75%
Twelve but less than eighteen months	50%
Eighteen but less than twenty-four months	25%
Two years or over	00%

Once an employee's resignation is rendered and accepted prior to the expiration of this two year requirement, the department may begin recovery of this debt from the employee's next payroll check.

If the employee transfers to another state agency prior to the expiration of the two year requirement, the original hiring department must notify the finance officer of the department to which the employee transfers of the outstanding moving debt to ensure that repayment occurs if the two year requirement is not fulfilled. Copies of the Employee Authorization Move Request and the Moving Expense Report should be forwarded to the employee's new department.

**AAM 60.400****Exempt and Partially Exempt Public Officials (11-99)**

Whenever a person changes a place of residence to accept an appointment as a public official (as defined in [AS 39.50.200\(a\)\(9\)](#)) in the exempt service or in the partially exempt service, the employee may be reimbursed for actual and necessary moving expenses in accordance with sections [AAM 60.310 - 60.380](#).



On satisfactory completion of the term of appointment, the appointing authority may authorize the reimbursement of all or part of the actual and necessary moving expenses:

1. to return the employee to the original residence;
2. to return the employee to a location other than the original residence provided that the reimbursable amount may not exceed the cost of returning the employee to the original residence.

A "term of appointment" is the period of time, not to exceed eight years, when the employee was employed continuously in state service as an exempt or partially exempt public official.

An estimate of the cost to return the employee to the original residence must be encumbered and the move must be authorized in writing by the appointing authority. All costs must be incurred within one year from the date of the employee's separation.