

## **Faculty of Education – Faculty Relocation Expenses and Taxable Benefits Guideline**

When submitting reimbursement requests for relocation expenses, please consider whether the expense is a taxable benefit. Below information is taken from the government of Canada website.

### **Expenses not Considered Taxable Benefits:**

- the cost of house hunting trips to the new location, including child care and pet care expenses while the employee is away;
- travelling costs (including a reasonable amount spent for meals and lodging) while the employee and members of the employee's household were moving from the old residence to the new residence;
- the cost to the employee of transporting or storing household effects while moving from the old residence to the new residence;
- costs to move personal items such as automobiles, boats, or trailers;
- charges and fees to disconnect telephones, television or aerials, water, space heaters, air conditioners, gas barbecues, automatic garage doors, and water heaters;
- fees to cancel leases;
- the cost to the employee of selling the old residence (including advertising, notarial or legal fees, real estate commission, and mortgage discharge penalties);
- charges to connect and install utilities, appliances, and fixtures that existed at the old residence;
- adjustments and alterations to existing furniture and fixtures to arrange them in the new residence, including plumbing and electrical changes in the new residence;
- automobile licenses, inspections, and drivers' permit fees, if the employee owned these items at the former location;
- legal fees and land transfer tax to buy the new residence;
- the cost to revise legal documents to reflect the new address;
- reasonable temporary living expenses while waiting to occupy the new, permanent accommodation;
- long-distance telephone charges that relate to selling the old residence; and
- amounts employees paid or reimbursed for property taxes, heat, hydro, insurance, and grounds maintenance costs to keep up the old residence after the move, when all reasonable efforts to sell it have not been successful.

### **Expenses Considered Taxable Benefits:**

- Any items not listed above are generally considered a taxable benefit.

*For all expenses considered taxable benefits, any reimbursements for such expenses will be shown in the faculty member's T4 or T4A form.*

Additional information can be found in the following links:

- <https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/payroll/benefits-allowances/provided/moving-expenses-relocation-benefits/moving-expenses-paid-employer-that-a-taxable-benefit.html>
- <https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/payroll/benefits-allowances/provided/moving-expenses-relocation-benefits/moving-expenses-paid-employer-that-a-taxable-benefit-1.html>