

Tax Reporting of Travel Vouchers Submitted After 60 Days Effective 4/1/2007

Based on the Internal Revenue Service (IRS) IRS Publication 535, Chapter 11 (<http://www.irs.gov/pub/irs-pdf/p535.pdf>), Illinois State University began reporting travel vouchers the Comptroller's Office received that were more than 60 days after travel had ended. The IRS requires travel reimbursements that are not submitted within 60 days of the completion of travel to be reported as taxable income to the traveler.

For travel vouchers submitted more than 60 days after the travel has been completed, the Payroll Office will report the reimbursed amount annually as income on the employee's W-2 form.

The 60 day clock begins the day travel is completed and the clock stops when the travel voucher is received in the Comptroller's Business Office, 100 S Fell Ave Suite 238 Campus Box 1200.

If reasonable justification for late submission exists, a [Reasonable Justification for Late Submission of Travel Expenses form](#) must be completed, signed by the employee, the fiscal agent, and submitted with the travel voucher. Approval of the exception request will be determined within IRS guidelines. Valid exceptions include situations of unforeseen circumstances prohibiting the submission within 60 days, such as illness, acts of nature, etc. Loss of receipts, inadequate staffing, or workload are not permitted exceptions.

Because the employer's share of taxes has to be withheld on 60-day travel, employee travel cannot be reimbursed after 60 days from the end of travel if the traveler is no longer an employee. This means if there is not a current appointment on the iPeople, a travel reimbursement will not be processed.

As a reminder, University Policies, Procedures and guidelines 7.3.10 currently requires all expenses, including travel, be paid within 30 days. This policy does not supersede that 30 day timeframe.

If you have any questions, please contact Brenda Banwart at (309) 438-3106.