



NEW MEXICO CORRECTIONS DEPARTMENT

Secretary
Alisha Tafoya Lucero

CD-025000 Moving Expenses	Issued: 10/05/90 Effective: 01/01/90	Reviewed: 07/31/23 Revised: 2/18/15
Alisha Tafoya Lucero, Cabinet Secretary		<i>Original Signed and Kept on File</i>

AUTHORITY:

- A. Internal Revenue Code, Section 217, "Moving Expenses," and related regulations pursuant to the Tax Reform Act of 1986.
- B. NMSA 1978, Sections 9-3-5, 10-8-1 through 10-8-8, and 33-1-6, as amended.
- C. 2 NMAC 42.3, Public Finance, Travel and Per Diem, Relating to Reimbursement of Moving Expenses.
- D. Policy *CD-010100*.

REFERENCES:

- A. Department of Finance and Administration Manual of Model Accounting Practices.
- B. Internal Revenue Service, Publication 15, Circular E, "Employer's Tax Guide".
- C. Internal Revenue Service, Publication 521, "Moving Expenses".

PURPOSE:

- A. To provide guidelines to be used to reimburse job-related moving expenses incurred by Corrections Department employees; and
- B. To provide guidelines for employee refund of moving expenses allowed by the Corrections Department.

APPLICABILITY:

To those employees approved to receive moving expense reimbursements.

FORMS:

None

ATTACHMENTS:

- A. **2 NMAC 42.3: Public Finance, Travel and Per Diem, Relating to the Reimbursement of Moving Expenses Attachment (*CD-025000.A*) (4 pages)**

DEFINITIONS:

None

POLICY:

- A. The Corrections Department shall reimburse eligible moving expenses as set forth in Corrections Department procedure *CD-025001* as a result of transfer from one location to another within the corrections system, when the distance between the former residence and the new place of employment is at least 50 miles greater than the distance between the former residence and the previous place of employment.
- B. The Corrections Department shall require the employee to refund moving expenses paid if the employee voluntarily terminates employment with the Department within six months after receipt of reimbursement, except for the death or disability of the employee.
- C. The Corrections Department shall administer its policy and procedure on moving expenses consistent with 2 *NMAC 42.3 (Attachment A)*.



NEW MEXICO CORRECTIONS DEPARTMENT

Secretary
Alisha Tafoya Lucero

CD-025000 Moving Expenses	Issued: 10/05/90 Effective: 01/01/90	Reviewed: 07/31/23 Revised: 2/18/15
Alisha Tafoya Lucero, Cabinet Secretary		<i>Original Signed and Kept on File</i>

AUTHORITY:

Policy *CD-025000*

PROCEDURES:

- A. The Corrections Department may reimburse moving expenses for those employees who meet the following established criteria:
 1. At the option of the Corrections Department, moving expenses may be reimbursed if the Corrections Department elects to and negotiates the transfer of one of its current employees, and the employee accepts such transfer, from one position location to another within the State's corrections system. Such transfer must have been determined to be of benefit to the State of New Mexico and payment of the moving expenses must have the written approval of the Division Director for the activity, program or facility involved; *and*
 2. The employee signs a written agreement which requires the employee to refund all moving expenses allowed by the Corrections Department in the event the employee voluntarily leaves employment with the Corrections Department within six months of receipt of the reimbursement; *and*
 3. The distance between the new place of employment and the former residence must be at least 50 miles greater than the distance between the former residence and the previous place of employment.
- B. Reimbursable moving expenses shall be limited to moving the employee's household goods and personal effects from the employee's former residence to the employee's new residence. Any exception to this must have the written approval of the Corrections Department Secretary, but must meet Internal Revenue Service requirements for deductibility of moving expenses and the limitations of 2 *NMAC* 42.3
- C. Payment of moving expenses must be made through the Administrative Services Division and Department of Finance and Administration procurement process and upon prior written approval from the Secretary of the Department of Finance and Administration.
- D. Moving expense reimbursements, whether paid directly to the employee or indirectly through a third party, such as a moving company, shall be included on the employee's Form W-2 as other

compensation in accordance with Internal Revenue Service reporting requirements. Such reimbursements are not subject to social security or income tax withholding, so long as all requirements of this procedure (*CD-025001*) are met. Receipts for moving expenditures must be retained and submitted as part of the supporting documentation for reimbursement.

- E. The employee is responsible for claiming any allowable federal income tax deduction on his/her personal tax return for moving expenses paid or reimbursed by the Corrections Department. For this purpose, the Corrections Department shall ensure that a completed Internal Revenue Service Form 4782, "Employee Moving Expense Information", itemizing all moving expenses paid to or on behalf of the employee, is furnished to the employee by either the Corrections Department or the Department of Finance and Administration.
- F. The Corrections Department may not reimburse a state officer or employee for the moving expenses of:
 - 1. newly-hired individuals
 - 2. Individuals voluntarily choosing to transfer to the Corrections Department from other State agencies.
- G. Notwithstanding F, immediately above, with the prior approval of the Secretary of the Department of Finance and Administration, the Corrections Department Secretary may authorize paying moving expenses of newly hired individuals upon written documentation showing unusual circumstances and that a hardship will result if reimbursement is not made.

This rule was filed as 2 NMAC 42.3

TITLE 2 PUBLIC FINANCE
CHAPTER 42 TRAVEL AND PER DIEM
PART 3 RELATING TO THE REIMBURSEMENT OF MOVING EXPENSES

2.42.3.1 ISSUING AGENCY: Department of Finance and Administration Bataan Memorial Building, Room 180 Santa Fe, New Mexico 87503
 [5-15-97; Recompiled 10/01/01]

2.42.3.2 SCOPE: Governs the reimbursement of actual and reasonable moving expenses for all public officers and employees of state agencies, as defined by Section 10-8-3, NMSA 1978, other than state educational institutions designated in Article 12, Section 11, of the New Mexico Constitution.
 [5-15-97; Recompiled 10/01/01]

2.42.3.3 STATUTORY AUTHORITY: Section 10-8-8 NMSA 1978 authorizes the department of finance and administration to promulgate by regulation reimbursement for the actual and reasonable moving expenses incurred by public officers and employees of state agencies.
 [5-15-97; Recompiled 10/01/01]

2.42.3.4 DURATION: Permanent
 [5-15-97; Recompiled 10/01/01]

2.42.3.5 EFFECTIVE DATE: May 15, 1997, unless a later date is cited at the end of a section or paragraph.
 [5-15-97; Recompiled 10/01/01]

2.42.3.6 OBJECTIVE: To establish uniform rules relating to the reimbursement of actual and reasonable moving expenses incurred by public officers and employees of state agencies.
 [5-15-97; Recompiled 10/01/01]

2.42.3.7 DEFINITIONS:

- A. "authorized mover" means a mover authorized by the state corporation commission or its successor agency to operate as a mover in the state of New Mexico.
- B. "authorized trailer rental firm" and "authorized truck rental firm" mean, respectively, a trailer rental firm or truck rental firm authorized by the state corporation commission or its successor agency to rent trucks and/or trailers to consumers in the state of New Mexico.
- C. "designated post of duty" means the location a public officer or employee is assigned to work by a state agency.
- D. "former residence" means a public officer's or employee's principal residence immediately before departure to a new designated post of duty;
- E. "may" means that an agency can, within its discretion, but is not obligated to, reimburse public officers or employees for any actual and reasonable moving expenses;
- F. "new residence" means the public officer's or employee's principal residence after assignment to a new designated post of duty and departure from a former designated post of duty;
- G. "state agency" means the state of New Mexico or any of its executive agencies, departments, boards, instrumentalities or institutions but shall not include state educational institutions set forth in Article 12, Section 11, of the New Mexico Constitution.
- H. "reimburse" means to make payment for actual and reasonable moving expenses:
 - (1) to a public officer or state employee, or;
 - (2) to an independent contractor who has provided moving services to a public officer or state employee provided that:
 - (a) a contract exists between the public officer or state employee and the independent contractor, and;
 - (b) The public officer or state employee would otherwise be entitled to reimbursement for the moving expenses.
- I. "manufactured home" means, as defined by the Motor Vehicle Code, Section 66-1-4.11 B. NMSA 1978, as amended, a moveable or portable housing structure that exceeds either a width of eight feet or a length of forty feet, constructed to be towed on its own chassis and designed to be installed with or without a permanent foundation for human occupancy.
 [5-15-97; Recompiled 10/01/01]

2.42.3.8 ACTUAL AND REASONABLE MOVING EXPENSES – ELIGIBILITY:

- A. A state agency may reimburse a public officer or employee for actual and reasonable moving expenses if all of the following conditions are met:
 - (1) the public officer or employee is assigned or transferred to a new designated post of duty for reasons clearly benefitting the state agency;
 - (2) the secretary of the department of finance and administration or his designee has approved in writing the payment of moving expenses pursuant to this rule;
 - (3) the assignment to the new designated post of duty will require the public officer or employee to commute at least thirty-five miles more from the former residence to the new designated post of duty than to the former designated post of duty;
 - (4) the reimbursement is limited to the actual and reasonable moving expenses allowed by this rule;
 - (5) the actual and reasonable moving expenses are incurred within six months after the date the transfer or reassignment becomes effective, and;
 - (6) the voucher submitted for reimbursement explains the reason for the transfer or reassignment.
- B. A state agency shall not reimburse a public officer or employee for the actual and reasonable moving expenses of any public

officer or employee who is not presently appointed, elected or in the employ of the state and being paid with public money at the time the moving expense is incurred.

C. The secretary of the department of finance and administration may approve actual and reasonable moving expenses for any public officer or employee who may not be eligible pursuant to paragraphs 8.1.2 [now Paragraph 2] through 8.1.5 of Section 8 [now Paragraph 5] of Subsection A of Section 2.42.3.8 NMAC upon a written showing by the head of the state agency of unusual circumstances and that a hardship will result if reimbursement is not made. However, reimbursement shall not be made to a public officer or employee who is not eligible pursuant to sub-section 8.2 [now Subsection B of Section 2.42.3.8 NMAC] of this rule.
[5-15-97; Recompiled 10/01/01]

2.42.3.9 ACTUAL AND REASONABLE MOVING EXPENSES ALLOWED:

A. If a public officer or employee uses an authorized mover to move his or her household goods and personal effects from a former residence to a new residence, the public officer or employee may be reimbursed for the following actual and reasonable moving expenses:

- (1) the cost of packing the public officer's or employee's household goods and personal effects;
- (2) the cost of crating the public officer's or employee's household goods and personal effects;
- (3) the cost of any in-transit storage charges, not exceeding three months, of the public officer's or employee's household goods and personal effects;
- (4) the cost of insurance for loss or damage to the public officer's or employee's household goods and personal effects while in-transit from the public officer's or employee's former residence to the public officer's or employee's new residence; and
- (5) the cost of actual and reasonable household and personal effects moving expenses from the former residence to the new residence.

B. As used in paragraph 9.1.5 of this rule [now Paragraph 5 of Subsection A of Section 2.42.3.9 NMAC], "reasonable household and personal effects moving expenses" shall not include any expenses or other costs incurred in the packing, crating, storing, moving or insuring of the following items:

- (1) firewood;
- (2) building materials;
- (3) play sand;
- (4) explosives;
- (5) flammables, oily mops, rags, or acid;
- (6) boats;
- (7) animals, birds, or other live creatures;
- (8) potted plants or shrubbery;
- (9) automobiles, trucks, recreational vehicles and travel trailers, and
- (10) storage sheds.

C. If a public officer or employee does not use an authorized mover to move his household goods and personal effects from a former residence to a new residence, the public officer or employee may be reimbursed for:

- (1) the actual cost of renting a truck from an authorized truck rental firm to move his or her household goods and personal effects, and;
- (2) the actual cost of renting a trailer from an authorized trailer rental firm and one-way mileage for the use of a personal vehicle at the rate set forth in the Per Diem and Mileage Act and DFA rule 95-1 [now 2.42.2 NMAC], as amended, from the former residence to the new residence.

D. Vouchers submitted pursuant to this section must be accompanied by receipts for all money claimed, except for reimbursement for mileage.

E. The maximum amount of reimbursement and expenses for any eligible public officer or employee pursuant to Section 9 [2.42.3.9 NMAC] is limited to four thousand dollars (\$4,000) per move, subject to the following exception:

- (1) eligible public officers or employees may also be reimbursed for the actual and reasonable expense of moving a manufactured home if the following conditions are met:
 - (a) the manufactured home was the public officer or employee's former residence;
 - (b) the move is completed by an authorized mover.

[5-15-97, 9-15-00; Recompiled 10/01/01]

2.42.3.10 OTHER ACTUAL AND REASONABLE MOVING EXPENSES ALLOWED:

A. A public officer or employee who is eligible for reimbursement of actual and reasonable moving expenses pursuant to this rule may also be reimbursed for per diem and mileage at the rates prescribed by the Per Diem and Mileage Act and DFA rule 95-1 [now 2.42.2 NMAC], as amended, as follows:

- (1) for one round-trip not exceeding four days from the former residence to the general location of the new designated post of duty to look for a new residence, and;
- (2) for a one-way trip from the former residence to the new residence to move the public officer or employee and his or her household members from the former residence to the new residence unless reimbursed pursuant to Section 9.3 [now Subsection C of 2.42.3.9 NMAC].

B. Additionally, a public officer or employee may be reimbursed for actual lodging costs incurred for temporary quarters at a new designated post of duty for up to thirty (30) days with prior written approval of the head of the state agency. Under extraordinary circumstances, where temporary quarters do not include kitchen facilities, a daily allowance for food up to \$22.50 may be authorized.

C. Vouchers submitted for reimbursement pursuant to this section shall be:

- (1) certified as true and correct by the public officer or employee requesting reimbursement;
- (2) approved for payment and certified as true and correct by a public officer or employee of the reimbursing state agency

designated to approve payment for the state agency.

[5-15-97; Recompiled 10/01/01]

2.42.3.11 MOVING EXPENSES NOT ALLOWED:

- A. A public officer or employee shall not be reimbursed for any of the following moving expenses:
- (1) taking down or installing draperies or mirrors attached to the wall;
 - (2) refitting rugs or draperies;
 - (3) assembling or disassembling outdoor gym sets or swing sets;
 - (4) disconnecting and servicing for moving major appliances such as dishwashers, refrigerators, washing machines, dryers, air conditioners, gas or electric ranges and television sets;
 - (5) insuring:
 - (a) any jewelry, money, trading stamps, bills, deeds, drafts or other valuable papers;
 - (b) any stamp or coin collections of inherent value;
 - (c) any precious metals;
 - (d) any valuable collectors items, or;
 - (e) silverware;
 - (6) losses sustained on the disposal of memberships in clubs, tuition fees, and similar items and,
 - (7) losses not covered by insurance.

[5-15-97; Recompiled 10/01/01]

2.42.3.12 MANUFACTURED HOME ACTUAL AND REASONABLE MOVING EXPENSES ALLOWED:

- A. A public officer or employee whose former residence is a manufactured home may be reimbursed for the following actual reasonable moving expenses incurred in moving the manufactured home from a former residence to a new residence by an authorized mover:
- (1) costs for moving a freezer;
 - (2) costs of packing household and personal effects;
 - (3) costs for removing and installing collapsible underpinning (skirting) and stairways and for reinstalling the skirting and stairways, provided no modifications are required;
 - (4) costs of unblocking and blocking;
 - (5) other costs incurred to prepare the manufactured home to be moved;
 - (6) escort fees;
 - (7) costs incurred in separating, boxing, and reconnecting;
 - (8) costs of moving the trailer by an authorized mover or mileage for personal vehicle at the rate set forth in the Per Diem and Mileage Act and DFA rule 95-1 [now 2.42.2 NMAC]; and
 - (9) reasonable costs of connecting or disconnecting utilities.

- B. Payment shall be made only upon vouchers submitted with attached receipts for all money claimed.

[5-15-97; Recompiled 10/01/01]

2.42.3.13 MANUFACTURED HOME MOVING EXPENSES NOT ALLOWED:

- A. A public officer or employee will not be reimbursed for the following expenses or costs incurred in moving, from a former residence to a new residence, a manufactured home which was the employee's principal residence:
- (1) any costs set forth in sub-section 9.2 [now Subsection B of 2.42.3 NMAC] of this rule;
 - (2) storage sheds and any other items which are not part of the initial move of the manufactured home or the contents of the manufactured home;
 - (3) transportation of wood or concrete blocks;
 - (4) costs of moving fuel or butane tanks;
 - (5) costs of moving fencing or walkways;
 - (6) costs of moving non-collapsible underpinnings (skirting) and stairways;
 - (7) costs incurred for "acts of god" insurance or other extra insurance;
 - (8) costs of moving two connected manufactured homes (a "double wide" manufactured home) originally built and designed as two separate dwelling units;
 - (9) the dismantling, transporting or constructing of porches, patios or any add-on type of rooms other than tilt-out or slide room that were original components of the manufactured home and that were manufactured by the manufactured home company;
 - (10) the mounting or dismounting of wheels, tires, tongues, replacement and/or tire repairs.

[5-15-97; Recompiled 10/01/01]

2.42.3.14 REFUND OF REIMBURSEMENT: Any public officer or employee who voluntarily terminates employment with the state of New Mexico within six months after receipt of reimbursement pursuant to this rule for actual and reasonable moving expenses shall refund the amount of reimbursement to the state agency which paid the reimbursement, unless the termination was caused by the death or disability of the public officer or employee.

[5-15-97; Recompiled 10/01/01]

2.42.3.15 REIMBURSEMENT OF PUBLIC OFFICER'S OR EMPLOYEE'S SPOUSE: A public officer or employee shall not be reimbursed for moving expenses for which the spouse of the public officer or employee is reimbursed by the spouse's employer.

[5-15-97; Recompiled 10/01/01]

HISTORY OF 2.42.3 NMAC

Pre-NMAC History: The material in this part was derived from that previously filed with the state records center and archives under: Rule 78-10, Relating To The Reimbursement of Moving Expenses of State Employees, filed 11-15-78; Rule 78-10, Amendment No. 1, filed 6-28-84; Rule 78-10, Amendment No. 2, filed 12-20-89; DFA 78-10, Relating To The Reimbursement Of Moving Expenses Of State Employees, Emergency Amendment to Section 4F, filed 12-17-96.