

TRAVEL LESS THAN 24 HOURS

The IRS Taxable Fringe Benefit Guide (“IRS Guide”) states that in order for the reimbursement of meals and incidental expenses (M&IE) to be excludable from a traveler’s income, the individual must be “away from home” in the pursuit of business on a temporary basis. Merely working overtime or at a great distance from an employee’s residence does not create excludable reimbursements for travel expenses if the employee returns home without spending the night or stopping for substantial “sleep or rest.”

CSU Travel Procedures and Regulations, Section V.C., Travel of Less Than 24 Hours, does not allow for the reimbursement of meal expenses for travel of less than 24 hours unless the traveler is away from his/her home overnight as supported by a lodging receipt or other evidence explaining why the traveler was unable to obtain a receipt.

If the overnight stay requirement is allowed by the approving authority, the amount of the meal(s) reimbursed becomes reportable and taxable. The amount will be reported to Payroll and included in Box 1 of the employee’s W-2 form. Under no circumstances will expenses for lunch be reimbursed for travel of less than 24 hours.