



Date Submitted

You should complete this form when:

1. You are claiming reimbursement or your department is paying for travel costs incurred by your family member(s) to accompany you on a business trip, AND
2. A bona fide business purpose exists for your family member(s) to make the trip.

Instructions:

Complete the form and attach the completed and approved original to your Travel Expense Voucher (TEV) or UW Invoice Voucher. Keep a copy of the completed form for your files. For specific information or guidance regarding this form, please call the Tax Office at 206-616-3003 or email taxofc@u.washington.edu.

Note:

Once this form is signed below by Approver, if this form is not attached to your TEV or UW Invoice Voucher, the amount of reimbursed expenses associated with your family member(s) will be added to your taxable wages automatically. The applicable federal income and employment taxes will be withheld on those amounts.

EMPLOYEE INFORMATION

Employee Name	Employee Social Security Number (mandatory)* ____ - ____ - ____
Department	* This number is required to gather costs for reporting purposes to the IRS.

TRAVEL INFORMATION

Place of Travel	Spousal Travel Costs Subject to Tax Review** \$ _____	**Amount includes: <input type="checkbox"/> Payments made out-of-pocket including charges made to the individual travel card. <input type="checkbox"/> Charges made to the Central Travel Account (CTA) – no TEV or invoice required, simply attach any documentation available for the CTA account.
Date(s) of Spousal Travel		

Business Purpose of Spousal Travel. If additional space is needed, write "See Attached" and attach a document with your explanation. (Go to page 2 of this form for further guidance regarding the tax implications).

Duties Performed by Spouse and any additional comments. If additional space is needed, write "See Attached" and attach a document with your explanation. (Go to page 2 of this form for further guidance regarding the tax implications).

SIGNATURES AND DATES

- By checking this box and signing as Requester, employee confirms that he/she has read the university's guidance re reimbursable travel as found on the Travel Office website at <http://www.washington.edu/admin/finserv/travel/>, and that he/she confirms his/her good faith belief that the reimbursement sought is allowable under such guidelines.
- By checking this box and signing as Requester, employee further confirms his/her good faith belief that the reimbursement sought is non-taxable per the guidance found on page 2 of this form. The final determination as to whether the reimbursable travel expenses are to be included-in/excluded-from taxable income is subject to the Tax Office review per below.

Requester's Name _____ Requester's Signature _____ Date _____

Approver's Name*** _____ Approver's Signature _____ Date _____

***Deans, Directors, Chairs or other designee responsible for fiscal administration

Tax Office Review Regarding the Reimbursable Travel Expenses' Inclusion-in/Exclusion-from Taxable Income:

- Include in taxable income Exclude from taxable income

Tax Office Name _____ Tax Office Signature _____ Date _____

SPOUSAL TRAVEL

University Paid Travel May be Taxable

On certain occasions, travel expenses for the spouse and other family members of university employees are reimbursed or paid directly from university funds. Generally these situations are related to alumni, donor, or athletic events where there is university benefit. However, under federal tax law, university-funded travel for spouses and family members is taxable compensation to the employee UNLESS there is a documented “bona fide business purpose” for the presence of the spouse or family member—a higher standard than the university applies. If a bona fide business purpose does not exist, any amounts reimbursed or paid directly for spousal travel will be included in the taxable compensation of the employee.

Overview of Available Guidance on “Bona Fide” Business Purpose

Guidance on the definition of a “bona fide” business purpose is limited and often conflicting. Each case is treated individually and determined on its specific “facts and circumstances.” In general, decisions of the Tax Courts have centered around two factors:

1. Whether the predominant purpose of the non-employee family member was to serve the employee’s business purpose in making the trip, AND
2. Whether the non-employee family member spent substantial amounts of time fulfilling that purpose.

Incidental services performed by a non-employee family member do not fulfill a business purpose. In addition, it has been extremely difficult to justify the business purpose of children or other relatives accompanying an employee on a trip.

THE MATRIX BELOW PROVIDES GUIDANCE FOR INDIVIDUAL DECISIONS

Expenses more likely to be taxable when:

- No formal request for family member to attend event(s)
- Family members are not required to attend meetings, given assignments in advance, or make presentation at the event(s)
- Family members perform only “helpful” services, such as limited note taking, secretarial services, etc.
- Only UW employees and family members attend event(s)
- Family members participate in substantial tourist activities (shopping, sight-seeing, etc.)
- Individuals other than children/in addition to spouse (such as other family members) make the trip

Expenses more likely “bona fide” when:

- Formal or official correspondence requests spouse or other family members of UW employees to make trip or attend event(s)
- Family members are required to attend meetings, are given assignments in advance, or make a presentation at the event(s)
- Family members perform “necessary” services by acting as a representative of the University in a substantial manner
- Non-UW individuals (alumni, donors, recruits, etc.) attend event(s)
- Family members do not participate in tourist activities
- Only spouse accompanies UW employee (i.e., no children or other family members make the trip)