Fig Meeting 12/19/13

Gift Cards & Web Document Approvals

What is considered a gift?

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Any transfer to an individual, either directly or indirectly, where full consideration (measured in money or money's worth) is not received in return.

 Basically any tangible gift that the recipient received that was not a payment for services.

Gift certificates described by the IRS

 Cash or cash equivalent items provided by the employer <u>are never excludable</u> from income.

 Gift certificates that are redeemable for general merchandise or have a cash equivalent value are not de minimis benefits and <u>are taxable regardless of the amounts.</u>

• ARE NOT ALLOWED ON THE PURCHASING CARDS

Research Surveys/Incentitives

- A certificate that allows an employee to receive:
 - a specific item of personal property
 - minimal in value
 - provided infrequently
 - administratively impractical to account for

May be excludable as a de minimis benefit, depending on facts and circumstances.

Reporting the incentitive expenses. You do not always have to record the name of each recipient of a gift. A general listing will be enough if it is evident that you are not trying to avoid the \$25 annual limit on the amount you can deduct for gifts to any one person. For example, if you buy a large number of tickets to local high school basketball games and give one or two tickets to each of many customers, it is usually enough to record a general description of the recipients.

How are de minimis fringe benefits reported?

• If the benefits are taxable, they should be included in wages on Form W-2 and subject to income tax withholding. If the employees are covered for social security and Medicare, the value of the benefits are also subject to withholding for these taxes.

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Web Form Approvals

 Documents: Claim Vouchers, Travel Claims, Purchasing Card Journals and Non Travel Purchasing Card Documents.

- User processing claims is Fin_Web User
- Document control issues. Annual audit. Image in Stellent does not match Doc in Banner, should not have access to change and may not be able to destroy the paper working copies.