

Moving Allowances & Expenses Reimbursement Policy



If you offer employees moving allowances or reimbursements covering their costs of relocating to accept employment with your company, whether a new position or a transfer, you should have a clear policy governing the payment of such benefits, including the employee's obligation to pay them back if they decide to leave your company soon after the move. Here's a Policy template you can adapt.

1. POLICY

ABC Company may offer moving allowances or reimburse moving expenses to attract or retain employees who must relocate to accept employment with the Company.

2. PURPOSE

The purpose of this Policy is to establish clear ground rules governing the offering and payment of moving allowances and expenses and ensure compliance with applicable Canada Revenue Agency (CRA) requirements, including but not limited to with regard to CRA form T1-M Moving Expenses Deduction.

3. DEFINITIONS

For purposes of this Policy:

"Relocation Allowance" means a negotiated lump sum payment to help a new employee with their move to an ABC Company location as a result of an offer of employment.

"Moving Expenses" means reasonable moving expenses (as defined by CRA in the form T1 (M E)) to assist a new employee with their move to an ABC Company location as a result of an offer of employment.

4. OFFERING OF MOVING ALLOWANCES & REIMBURSEMENT

ABC Company will not offer moving allowances and reimbursement to all employees to whom it offers new employment or transfer to a different Company location. The decision to offer such benefits will be made on a case-by-case basis in accordance with pre-determined criteria established by ABC Company for particular job positions...