

**Tax Tip**  
**Week of May 2, 2011**

**Tax Free Moving Allowances**

An employee, who moves at the request of an employer, will normally have a significant portion of their moving expenses reimbursed. Qualifying expenses that are not reimbursed may be claimed on the individual's tax return, assuming the move was at least 40 km.

Employers are allowed to pay employees a tax free allowance of up to \$650 for miscellaneous moving expenses. We recommend employers consider making such tax free allowances a component of their employee relocation policy.