

Reminder: Don't Risk Being Taxed on Business Expenses

[1]

November 30, 2023

Don't risk being taxed on your business expenses!

The Finance Procedural Statement [Business Expense Substantiation & Tax Implications](#) [2] explains the requirements for timely substantiation and submission of employee-incurred business expenses (**Airfare Card, Travel Card, Procurement Card, out-of-pocket reimbursement requests, cash advances**) in order to avoid having the expenses reported as part of the employee's own taxable income.

- An expense is substantiated when it has been reconciled, documented, excess funds returned to CU if applicable, and submitted on an expense report in Concur. This must occur within 90 days of the expense transaction date or within 90 days of the trip end date.
- If an expense is not substantiated/submitted within the required time frame, the amount of the expense will be reported as taxable income on the employee's pay advice and on the IRS Form W-2. When a taxable expense report is fully approved and paid, Concur automatically emails a *Taxable Expenses Notification* to the employee.

The procedures include information regarding an exception process. Upon receipt of the *Taxable Expenses Notification* email, an employee requesting exception consideration must contact their campus controller's office, which will determine whether to refer requests to the Director of Tax for final review/approval.

We encourage you to review the [procedures](#) [2], watch our short explainer video ... and share with your colleagues.

Questions? Use the feedback form at the bottom of the procedural statement webpage.

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[1] <https://www.cu.edu/controller/news/office-university-controller-news/november-30-2023-edition/reminder-dont-risk-being> [2] <https://www.cu.edu/controller/procedures/finance-procedural-statements/finance-procedural-statement-business-expense>