

Meal Reimbursement Policy

Per IRS regulations, the value of employer-provided meals and reimbursement for meals are included in the taxable income of the employee, unless there is some provision that allows for the meal to be excluded from taxable income. A meal may be excluded from the taxable income of the employee if the meal is a result of the employee traveling away from home overnight on business. A meal may also be excluded from the taxable income of the employee if the meal is for the convenience of the employer. For meals to be excludable from taxable income, the amount reimbursed for a meal must be paid under an accountable plan. The accountable plan must meet the following: there is a business connection, the employee must substantiate the expense, and the employee must return any excess amounts. “For IRS information about meal reimbursements see Circular E, Employer’s Tax Guide (Publication 15), Employer’s Tax Guide to Fringe Benefits (Publication 15-B, and Publication 463, Travel, Entertainment, Gift, and Car Expense.”

It is the policy of Duplin County to reimburse officials and employees for actual meal expenses incurred while traveling away from home overnight on county business and for actual meal expenses that are for the convenience of the employee, such as attending a meeting that is conducted during a meal. This policy establishes the maximum amounts of reimbursement for meal expenses, what is needed from the employee to request reimbursement of a meal expense, when a meal is eligible for reimbursement, what the county will not reimburse for, when a reimbursement request may be reviewed, and how this policy relates to an individual department policy.

Maximum Amount to be reimbursed:

	In State	Out of State
Breakfast	\$7.00	\$7.00
Lunch	\$9.00	\$10.00
Dinner	\$15.00	\$16.00

What is needed to substantiate the meal and request a meal reimbursement:

Employees must submit **original** receipts with their reimbursement request. The receipt should show the amount of the expense, the date of the expense, the time of the expense, the location of the expense, and business reason for the expense. These receipts must be the **original** receipt identifying what was purchased and from whom. Tips may be

added to the receipt and are included in the maximum amount listed above. **Debit card receipts or charge card receipts are not acceptable.**

What constitutes a reimbursable meal:

A meal that an employee purchases when the employee has received overnight travel approval from the county manager and does in fact stay away from home overnight for a work related event.

A meal that an employee purchases when attending a meal meeting for the convenience of the employer, whose main purpose of the meeting is the active conduct of business, which means, business is being discussed during the entire meal process.

What is not reimbursable by the County:

Duplin County will not reimburse employees for the purchase of alcoholic beverages.

Duplin County will not reimburse employees for snacks.

When may a reimbursement request be reviewed:

Reimbursement requests may be reviewed by Management prior to issuance of check, during internal audit, and/or by the county auditors for compliance with this policy. Reimbursement request may be reviewed by IRS auditors for compliance with IRS regulations. These reviews may involve review of: receipts for location of vendor, time receipt was issued by vendor, items to be reimbursed, advance travel authorization, the business purpose, and may involve obtaining further clarification from the department head and/or the employee.

How this policy relates to an individual department policy:

This policy constitutes the maximum amount any employee will receive as reimbursement for meals. Individual departments may institute departmental policies that are more restrictive, but individual department policies can not be less restrictive, unless mandated by State or Federal guidelines.