

Volume No. 1—Policies & Procedures	TOPIC NO.	20335
Function No. 20000—Finance and Administration	TOPIC	STATE TRAVEL REGULATIONS
Section No. 20300—Cash Disbursements Accounting	DATE	October 1, 2015

Non-Travel Related Meals, Continued

IRS Reporting Requirements for Business Meals

Non-Law Enforcement Personnel

Business meal reimbursements which are not related to overnight travel and are made under an accountability plan are not generally considered by the IRS to be reportable income. Employees are responsible for reviewing and conforming to current IRS regulations.

Overtime meals are not considered Business Meals. See the **Overtime Meals** section for further information.

Law Enforcement Personnel and Sponsored Programs

IRS income reporting requirements for meals reimbursed under the law enforcement personnel meal reimbursement policy or the sponsored program exception must be determined by the disbursing agency based on the specific circumstances of each case.

Overtime Meal Allowance

Agency conditions that necessitate overtime vary greatly. An agency with special or unique conditions may submit, in writing, an agency-specific overtime meal policy to the Department of Accounts (Deputy State Comptroller). When developing an overtime meal policy, prudent judgment is expected to recognize only reasonable and necessary costs. An overtime meal allowance is a fixed dollar amount allowed while working or traveling in an overtime status. Overtime status is when work or travel time occurs beyond an employee's normal, scheduled work hours, but not overnight. Therefore, overtime meal allowance does not apply during overnight travel. In the case of overnight travel, per diem rates apply.

An overtime meal allowance is allowed when overtime worked is:

- Essential to the agency's mission
- Permitted by agency policy
- Approved by appropriate agency personnel, and
- In excess of the employee's normal, scheduled work hours.

Note: Scheduled work hours and overtime hours worked for overtime meals must be included on the voucher.

Agencies are required to comply with IRS regulations regarding reportable meals. An overtime meal allowance based on the number of hours worked is considered taxable wages.

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Overtime Meal Rates The Overtime Meal Allowance policy described in the following table must be followed unless an agency-specific overtime meal policy is approved by DOA.

IF...	Are worked or traveled AND the overtime occurs...	THEN an overtime meal allowance is...	Documentation Required
2 or more overtime hours	during a normal workday	\$5.00 (\$7.50 if outside the official station)	Workday and Overtime Start/End Times
5 or more overtime hours	on a Saturday, Sunday, holiday or an alternate work schedule day off *	\$5.00 (\$7.50 if outside the official station)	Overtime Start/End Times
10 or more overtime hours	on a Saturday, Sunday, holiday or an alternate work schedule day off *	\$10.00 (\$15.00 if outside the official station)	Overtime Start/End Times

* **Note** Or if comparable overtime is necessitated by shift schedule or beyond a routine, scheduled 40-hour work period.

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