Purpose
To establish procedures for the purchase of work clothing, in compliance with the current Internal Revenue Code, as related to the proper reporting of clothing and/or uniforms provided to employees.

Definitions
De Minimus: Although the IRS does not specifically define de minimis, the college will define de minimis as $25 or less.

Procedure
The purchase of work clothes or the cleaning, alteration, or repair of personal clothing is prohibited, except when:

1. The expenses are necessary for the performance of the job and required by the College, e.g., security uniforms, facilities service personnel.
2. The expense fulfills a business need due to the high visibility of a position, e.g., recruiters, admissions and HS2CCC, limited to one logo work shirt per year with a de minimis value of $25 or less.
3. The expense fulfills a business need (shirts for identification of college event staff), limited to one logo work shirt per year with a de minimis value of $25 or less.

Although the IRS does not specifically define de minimis, the college will define de minimis as $25 or less. This means that if the value of all articles of clothing purchased by an employee in a year can reasonably be determined to be valued at $25 or less, they will be non-taxable as de minimis fringe benefits.

Items purchased that exceed $25 in value will either be reimbursed to the College or will be added to the employee’s W-2 income.

Exceptions may be approved by the Provost or Executive Vice President on a case by case basis.

References
Internal Revenue Code

Procedure History
07/24/2019 New and Adopted by Executive Leadership Council

Legal Review
None