Gifts to Employees and Students
Available Options and Tax Implications

Background and Rationale

The Internal Revenue Code states that under certain circumstances the value of gifts to individuals is considered taxable income.

Loyola is committed to compliance in all areas of its operations. Accordingly, this policy provides available options for recognizing employees and students while seeking to ensure compliance with IRS regulations.

Available Gift Options and Tax Implications

Gift Options	Non-Taxable	Taxable
Cash	n/a	Always taxable No minimum amount
Gift cards and gift certificates	n/a	Always taxable No minimum amount
Evergreen or Dining Advantage account credits	n/a	Always taxable No minimum amount
Tangible property valued up to $100 (flowers, books, trophies, plaques, etc.)	Non-taxable up to $100 in value	Value in excess of $100 is taxable
Occasional tickets to theater or sporting events valued up to $100	Non-taxable up to $100 in value	Value in excess of $100 is taxable
Occasional group meals or refreshments for employee recognition events	n/a	n/a

Process for Reporting Taxable Income

Gifts should be purchased using the Loyola Procurement Card. If an employee does not have a Loyola Procurement Card, a cash advance or a check request can be used.

Receipts for purchases made with either the Loyola Procurement Card or check request are to be submitted to Accounts Payable. Receipts for purchases made using a cash advance are to be submitted to Student Administrative Services. A Gift Recipient Form must be attached to all receipts if the gift is taxable, as per the table above. Taxable earnings will be reflected in the recipient's W-2 or the 1099 for non-employees.

Note: If a Gift Recipient Form is not submitted as support for purchases the full amount of the purchase will be taxed to the employee who purchased the gift.

Gift Recipient Form

Person/Department Giving Gift Card	Recipient's Name	SSN or Loyola ID #	Amount	Purpose
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