

## Moving Expenses

Individuals were previously allowed to deduct qualified moving expenses paid or incurred in connection with starting work in a new location if specific distance and length of service requirements were met that were not reimbursed by an employer. For tax years 2018 through 2025, the new tax law requires employers to report any moving expenses it pays to vendors or employees as taxable wages to the employee and eliminates the employees' deduction for moving expenses.

Expenses related to a move that occurred in 2017 but were paid in 2018 remain tax-free. An exception also applies to military members on active duty who move pursuant to a military order related to a permanent change of station that continues to allow tax free moving expenses. Some states decouple from federal law regarding moving expenses and may allow taxpayers to deduct qualified moving expenses from their state taxes for 2018 and onwards.