

University of North Texas Procedures for Faculty and Staff Gifts and Awards

Policy Logistics

Associated Policy:	05.041 – Employee Awards, Gifts and Prizes
Date:	January 4, 2022
Policy Owner:	Clayton Gibson, Vice President for Finance and Administration
Primary Contact(s):	Katy McDaniel, Assistant Vice Chancellor for Human Resources
Department(s) Involved:	Finance & Administration, Human Resources, Controller, Payroll

Process Specifications

The following procedures outline the guidelines for gift and award taxation to ensure compliance with applicable state and federal tax laws and regulations.

I. Gifts to Employees:

- a. All gifts, awards, and honorariums are considered taxable to the employee unless an IRS exception applies to the specific employee and circumstance.
- b. Prior to making a gift, of any amount, to an employee, the gifting department holder or designee must contact the System Tax Accountant to determine any tax implications.
- c. The gifting department holder or designee must maintain written documentation of their communication with the Tax Accountant. All documentation must be maintained in accordance with [UNT Policy 04.008 Records Management and Retention](#).
- d. The following chart is provided as a guideline, not a rule, for amounts that typically become taxable to the employee.

Type of Award/Gift	Amount Generally Taxable?
Cash or cash equivalents (gift cards)	All amounts
Food items or other merchandise of nominal value given at holidays to promote employee goodwill	Amount in excess of \$100
Length of service award under non-qualified plan (Note: must be given only once during a calendar year and the award must be at least five years apart)	Amounts in excess of \$400
Length of service award under qualified plans (Note: must be given only once during a calendar year and the award must be given at least five years apart)	Amounts in excess of \$1,600
Safety achievement award under non-qualified plan	Amounts in excess of \$400
Safety achievement award under qualified plan	Amounts in excess of \$1,600
Retirement gift given as length of service award	Amounts in excess of \$400
Retirement gift not given as length of service award	Amounts in excess of \$100
Flowers, books, gift baskets, pins, or similar non-cash items given for special purposes not shown in above categories in this chart.	Amounts in excess of \$100 (this limit will not apply to flowers or other gifts given in the case of a family death or employee illness)

II. Gifts to Non Employees

- a. All gifts, awards, and honorariums to non-employees, whether or not in cash, must follow the procurement process.