



Taxable Prize or Award/Gift Form

Purpose

This form collects required information to report to the IRS the taxable portion of prizes or awards/ gifts paid for by the College and delivered to faculty, staff, and students (see reverse side for guidelines).

Take note!

Gift cards and **gift certificates** purchased with College funds and awarded to Macalester faculty, staff, and students are considered taxable income and are subject to withholding, *regardless of amount*. The tax code is quite clear that this applies to all gift cards, no matter how small the value. There are no *de minimis* exceptions. Even a \$5 gift card or gift certificate is considered taxable and must be reported through payroll!

For more information, refer to the policy statement posted on the Employment Services and Business Services websites.

PURCHASE INFORMATION				
Department:	_____			
Name:	_____	Ext:		_____
Vendor/Merchant:	_____		Date of purchase:	
Payment method:	AP check	P-card	Employee reimbursement	Petty cash

RECIPIENT INFORMATION						
Recipient Name:	_____					
ID #:	_____					
Status:	Faculty/Staff	Student	Student Worker?	Yes	No	Don't know
Reason for prize or award/gift:	_____					
Dollar value:	_____		Date given:			

Recipient Name:	_____					
ID #:	_____					
Status:	Faculty/Staff	Student	Student Worker?	Yes	No	Don't know
Reason for prize or award/gift:	_____					
Dollar value:	_____		Date given:			

Recipient Name:	_____					
ID #:	_____					
Status:	Faculty/Staff	Student	Student Worker?	Yes	No	Don't know
Reason for prize or award/gift:	_____					
Dollar value:	_____		Date given:			

To: Accounts Payable	Date Received:	Date to Payroll:
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ALLOWABLE PRIZES AND AWARDS/GIFTS

	NON-TAXABLE	TAXABLE*
Miscellaneous awards/gifts		
Cash	n/a	ALWAYS taxable No minimum amount
Gift cards and gift certificates	n/a	ALWAYS taxable No minimum amount
CBORD 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	NEVER taxable	n/a
Length-of-service awards/gifts – special rules apply		
Tangible property valued up to \$400 (flowers, books, trophies, plaques, etc.)		
<ul style="list-style-type: none"> Awards/ gifts to employees with <u>more than 5 years</u> of service 	Non-taxable up to \$400 in value	Value in excess of \$400 is taxable
<ul style="list-style-type: none"> Awards/ gifts to employees with <u>less than 5 years</u> of service 	n/a	ALWAYS taxable No minimum amount
<ul style="list-style-type: none"> Awards/ gifts to employees who previously received an award/ gift during the current or preceding four years, regardless of length-of-service 	n/a	ALWAYS taxable No minimum amount
Safety awards/gifts (applies primarily to Facility Services) – special rules apply		
Tangible property valued up to \$100 (flowers, books, trophies, plaques, etc.)		
<ul style="list-style-type: none"> Occasional awards/ gifts to recognize exceptional safety records 	Non-taxable up to \$100 in value	Value in excess of \$100 is taxable
<ul style="list-style-type: none"> Awards/ gifts made to more than <u>10%</u> of department employees 	n/a	ALWAYS taxable No minimum amount
<ul style="list-style-type: none"> Awards/ gifts to employees who previously received an award/ gift during the current or preceding four years, regardless of safety record 	n/a	ALWAYS taxable No minimum amount
Prizes (includes academic achievement)		
<ul style="list-style-type: none"> To students, <u>regardless of whether they are employees</u> 	n/a	ALWAYS taxable If total in a given year >\$600, reported as taxable income on Form 1099-MISC
<ul style="list-style-type: none"> To faculty and staff 	n/a	ALWAYS taxable If total in a given year >\$600, reported as taxable income on Form 1099-MISC

* All transactions in the Taxable column require the awarding dept to complete and submit a **Taxable Prize or Award/Gift Form** to Accounts Payable.
4/2014