

TAX WITHHOLDING ON ALTERNATIVE COMPENSATION

As a result of a 2006 IRS audit, the following procedure was developed to withhold taxes on alternative forms of compensation.

1. Meal Reimbursement

The amount of a reimbursed meal will be considered wages except those that are associated with an overnight stay.

2. School Meals

All School lunches provided to employees will be considered wages. The value of the lunch will be the current adult price.

3. Cell Phones

~~All stipends paid for cell phones will be considered as wages. The exception to this would be if an expense log is provided to the administrative office.~~

~~4.~~ Extra-Curricular Work

All employees of the District who complete extra-curricular assignments such as ticket taking or score clock will have these wages included on their regular payroll check for the two week period in which they did the work.

~~5.~~ "Volunteer" Coaches

~~The \$200 paid to volunteer coaches will be considered as wages. The exception to this would be if the volunteer coach provides documentation of expenses to the administrative office at the end of the season.~~

~~4.6.~~ Summer Student Employees

All summer student work, regardless of the employee's age, will be considered as taxable wages. Students will continue to be exempt from Social Security and Medicare during the school year but not during the summer. (i.e. lifeguards, custodians etc.)

Approved: February 27, 2017

Revised: December 22, 2025