

SMU Tax Policies

Subject: Reimbursement of Business Expenses

Effective Date: 08/22/07

Revision Date: 08/23/17

Tax Policy: 3.1

The University will reimburse an employee for reasonable and necessary business expenses incurred if there is a business purpose for the expense and the reimbursement has been approved.

Each department should have established approval processes and reimbursements will not be made unless the appropriate approval is on the request. In addition to the department's approval, substantiation of the business purpose of the event, date, location and original receipts, logs, etc. is required for reimbursement. If the business reimbursement is for entertainment, the request must also include the names of the individuals entertained.

The University is exempt from Texas sales and use tax on purchases that are used to carry out the University's exempt purpose. The [University Texas Sales Exemption Certificate](#) should be used at time of purchase. See [Tax Policy Bulletin 5.1 University Purchases in the State of Texas](#)