

PCG Alert
12/04/15

RE: PCG Bulletin 2015-001 – Uniform and Clothing Allowance

Attention Payroll Officers:

Please forward this alert to those in your Organization who need this information:

The Division of Accounting (DOA) Payroll Compliance Group (PCG) has updated and renumbered the PCG Bulletin for Clothing and Uniform Allowance. Regulations in this area changed effective June 15, 2015. PCG **Bulletin 2015-001** has been posted to the DOA website. Bulletin 2013-002 has been archived to the **Prior Tax Year Bulletins** folder.

The IRS issued a directive effective on June 15, 2015, regarding casual clothing (i.e., polo shirts, baseball caps, etc.) issued by police and fire departments to police officers and firefighters. If it is a requirement that these articles of clothing **ONLY** be worn when the employee is in “on-duty status,” then the requirement that clothing is not suitable for everyday wear is met and the clothing is not taxable.

Access all PCG Bulletins at the below link:

http://www.accounting.delaware.gov/payroll_comp/comm/bulletins.shtml

These bulletins cover tax implications associated with non-cash fringe benefits. Please contact your HR office for your Organizations’ policy regarding uniforms and clothing.

If you have any questions regarding this topic, please contact the Payroll Compliance Group at 672-5500.

PCG Alerts are posted on the DOA Website:

http://accounting.delaware.gov/payroll_comp/communications.shtml