

## **Potential Cell Legislation Changes – updated as of July 2009**

On June 16, 2009 IRS Commissioner Doug Shulman and Secretary of the Treasury Timothy Geithner issued a statement calling upon Congress to "...act to make clear that there will be no tax consequence to employers or employees for personal use of workrelated devices such as cell phones provided by employers." New legislation is pending in both the Senate and House to change the IRS tax law and regulations.

For staff who have already converted to personally owned devices, technology allowances will continue. If allowances are determined not to be taxable income in the future, allowance payments may not be grossed up.

While IRS compliance was the primary driver behind the Electronic Device and Service policy and converting of University owned equipment to personally owned devices, other benefits still remain, such as:

- Call detail is not maintained by the University.
- Units would reimburse staff for business use on personal devices and not monthly minimum plans.
- Eliminating the distribution of monthly electronic statements to staff, supervisors and departments for their review.
- The employee has the convenience of carrying one electronic device for business and personal cellular and data use.

University staff will continue to follow potential legislation changes to understand the future impact on our Electronic Device and Service policy and will share additional updates as available.