

<b>ADMINISTRATIVE DIVISION</b> FINA Administration and Finance		<b>POLICY NUMBER</b> FINA 6.11
<b>POLICY TITLE</b> Employee Housing		
<b>SCOPE OF POLICY</b> USC System		<b>DATE OF REVISION</b> April 14, 2025
<b>RESPONSIBLE OFFICER</b> Executive Vice President for Administration and Chief Financial Officer		<b>ADMINISTRATIVE OFFICE</b> University Finance – Controller’s Office

## PURPOSE

This policy defines the requirements and restrictions associated with furnishing housing to employees. *This policy does not apply to housing furnished to the President or undergraduate students.*

## DEFINITIONS AND ACRONYMS

**Employee:** An individual legally employed by the University in an official capacity, including faculty, staff, graduate students, salaried and temporary appointments, etc. Employees receive compensation for work or services (1) in which the University has the right to supervise and control the manner of performance and (2) from University-controlled funds, regardless of the source of the funds.

**Housing:** Residential properties controlled by the University and located on campus.

**Immediate Family:** A member of the employee’s household who resides with them both before and after employment with the University (e.g., spouse, child, dependent).

## POLICY STATEMENT

The University does not routinely provide housing to employees. When the on-site presence of an employee is deemed necessary to meet programmatic requirements (e.g., operational coverage, security, readily available staff), the University may, at its option, provide adequate housing for the required employees on its business premises. In cases where the University selects this option and appropriate prior approval is received, the housing will be furnished for the convenience of the University and the employee will be required to accept such housing as a condition of employment.

Occupancy will be limited to University personnel and their immediate family members. The employee is responsible for the general condition and appearance of the facility (e.g., general cleaning and upkeep) while the University is responsible for facility maintenance and major repairs. The facility is subject to regular inspection for any maintenance, health, and/or safety issues.

### A. Taxability

Housing furnished to employees is considered a fringe benefit and may be taxable to the employee. The taxability determination will be made at the time of request and approval.

In accordance with Internal Revenue Service (IRS) regulations, the fair market value of the furnished housing can be excluded from the employee's taxable income if the following conditions are met:

1. The furnished housing is on the University's premises.
2. The housing is furnished to the employee for the convenience of the University, meaning it is provided for a substantial business purpose other than to provide the employee with additional compensation or benefits. A written statement that the housing is furnished for the University's convenience is not sufficient – all facts and circumstances of the arrangement must be considered.
3. Living on campus is a required condition of employment. Examples include employees who must be available at all times and employees who could not perform their required duties without being furnished with the housing.

If these conditions are not met, the fair market value of the furnished housing will be considered taxable income and included on the employee's annual Form W-2 (Wage and Tax Statement) accordingly. If an employee receives additional pay in lieu of furnished housing, it will also be considered taxable income to the employee.

#### **PROCEDURES**

The accompanying procedure provides additional details on the administration and management of this policy and references to training and resources. The procedure can be found here:

[https://sc.edu/about/offices\\_and\\_divisions/controller/toolbox/policies\\_and\\_procedures/index.php](https://sc.edu/about/offices_and_divisions/controller/toolbox/policies_and_procedures/index.php)

#### **RELATED UNIVERSITY, STATE, AND FEDERAL POLICIES**

[IRS Publication 15-B – Employer's Tax Guide to Fringe Benefits](#)

[FINA 6.00 Employee Payroll](#)

#### **HISTORY OF REVISIONS**

<b>DATE OF REVISION</b>	<b>REASON FOR REVISION</b>
December 15, 2006	Policy creation
April 19, 2016	Policy revisions due to departmental reorganization and name changes and to reflect authorizing signatures
April 14, 2025	Language, formatting, and content updates