

Practice Directive 311

## Clothing Purchases for Employee Use

<b>Division</b>	<a href="#">Finance &amp; Administration</a>
<b>Department</b>	<a href="#">University Accounting</a>
<b>Contact</b>	Controller & Director of University Accounting   <a href="mailto:acctpay50@uwec.edu">acctpay50@uwec.edu</a>
<b>Effective Date</b>	September 1, 2022
<b>Revised Date</b>	n/a

### Authority

**Federal** | [IRS Publication 5138, Quick Reference Guide for Public Employers](#)

**UW System** | [SYS 330, Prizes, Awards, and Gifts](#); [SYS1277, Compensation](#)

### Objective

The purpose of this practice directive is to define clothing or uniform options for university employees and identify tax implications for supplying clothing for employees on taxable income.

### Statement

#### A. Uniforms

- a. Uniforms are typically delivered by a contractor and supplied to employees working in an environment which either special clothing is needed, or clothing can be damaged. These uniforms are not to be worn outside of work; both by policy and by the nature of the clothing. These can also be distinguishable by having the employee's name affixed to the garment and the University's name/logo. Clothing that is owned and maintained by the university is similarly treated as a uniform, as it does not remain in the employee's possession.
- b. Uniforms must be worn for business use only and have limitations in place to prevent or discourage wearing of the uniform outside of the work environment.
- c. Uniforms are not taxable.

#### B. Provided Clothing

- a. Provided clothing is any clothing, though typically a shirt or outer garment, with an approved logo and department name on it. This type of clothing is typically given to personnel when it is deemed to be in the best interest of the department for this person to be identified with the department but not necessarily by name.
- b. Provided clothing typically is not worn outside of the workplace; however, there is no specific limitation to this action. Provided clothing for employees must be approved by a director or chair of a department or above and must be deemed a business necessity and not a reward for employees.
- c. Provided clothing is taxable to the employee. If the clothing purchase is approved and clothing is

distributed to employees, the value of these items must be documented and added to the employees' taxable income. Clothing that costs less than fifty (50) dollars will be considered de minimis and excluded from the employees' taxable income. NOTE: Per [UW System Administrative Policy 330, Prizes, Awards, and Gifts](#), no state funds from any source may be used to purchase gifts for employees. Clothing given to employees without a legitimate business purpose, for example Blugold Friday attire, would be considered a gift and would not be allowed.

C. Safety and Protective Clothing

- a. Clothing purchased, typically shoes or glasses, for protection and safety of employee to perform assigned duties shall be paid for or reimbursed in accordance with institution limits.
- b. Safety and protective clothing is not taxable to the employee when substantiated under accountable plan rules per [IRS Publication 5138, Quick Reference Guide for Public Employers](#).
- c. This type of clothing must adhere to [UW System Administrative Policy 1277, Compensation](#).

D. Other Clothing

- a. Clothing provided for students and volunteers is not subject to this policy when a fee has been collected to cover the cost of the clothing article.
- b. Clothing provided for students and the general public for promotional purposes and giveaways is not subject to this policy. This type of clothing must adhere to [UW System Administrative Policy 330, Prizes, Awards, and Gifts](#).

## Procedures

[UWEC 311.A, Clothing Purchases for Employee Use](#)

## Searchable Words

clothing, uniforms, preapproval, safety