

Guidelines for travel expenses settlement

The mobility grant – finances

The mobility grant is meant to cover extra expenses tied to a stay abroad and will cover the costs of travel and accommodation. The grant will both cover expenses that you pay for yourself, and invoices sent to HVL (For example, invoices from travel agents).

The grant is regulated by the same rules that apply for other funds at HVL, which means that, for example, travel should be ordered through HVL's travel agent agreement (as of April 2022: Berg-Hansen).

Disbursement

As a main rule, you can get 100 % of the grant as an advance up to two months before leaving Norway. An application for an advance must be completed by the PhD Fellow. The payment must be approved by the dean and sent/delivered to HR-Lønn for disbursement.

Documentation

The PhD Fellow must keep all receipts, invoices, bills, and other documentation concerning expenses connected to their stay abroad. Invoices and bills paid by HVL (for example from Berg-Hansen) must also be documented. This goes for all relevant expenses the grant is applicable for.

How is the grant taxed?

- **Legislation:** All gains achieved through work is taxable income, according to The Norwegian Tax Law – Skatteloven §5-1 paragraph 1 (lovdata.no – text in Norwegian). Gains achieved through work are, for instance, salary, honorariums, holiday pay, and other payments gained through work through, or outside of, employment. Grants are defined as other payments through the Norwegian Tax Law.
- **Main rule:** The salary component of a grant is taxable income. The same goes for any surplus (the difference between the grant amount and the approved expense reimbursements). Reimbursement of expenses must be documented through the established routines.
- **Criteria for tax liability** is the grant's purpose, the size of the amount, the documentation of the expenses, and the grant recipient's connection to HVL.
 - o Grants for employees are, as a main rule, tax liable. If extra expenses can be documented, it is only the surplus that is taxed.
 - o Grants from external sources: The tax-related treatment of the grant is independent of the financial source of the grant.

Examples of expenses that are not taxed:

- Travel expenses. Actual expenses for travel and moving, as well as sustenance and accommodation during travel. Any expenses for covering visits in the PhD Fellow's home country is taxed.
- Visa
- Genuine extra expenses accrued in addition to your permanent residence in Norway if the residence is not being rented out. Rent, electricity, household contents, garage expenses, and internet. You must disclose whether or not your residence is being rented out.

- Tuition fees (if children are accompanying you on your stay abroad) can be paid out without tax if you can document that a private school is necessary, and that the public school system is inadequate. This does not apply to Denmark and Sweden.
- Expenses for necessary vaccines.
- Books/other material if the expense is related to the grant's purpose.

Examples of expenses the grant does not cover:

- Gym membership / gym expenses
- Medication
- Clothes
- Passport
- Other equipment it is likely that the employer may keep
- Vacations in/from the host country
- Recreational activities for children
- Insurance is regarded as taxable. Only genuine extra expenses are non-taxable.
- Expenses for kindergarten abroad are no longer non-taxable, following new regulations from 2019.

Travel expenses settlement

The PhD Fellow must immediately upon return home hand in the travel expenses settlement. There are two forms that must be used: The settlement form and the expenses overview form. Both must be sent/delivered, with all relevant documentation, to HR-Lønn. HR-Lønn will assess the tax eligibility according to Norwegian law. All expenses must be documented with receipts. And, as mentioned above, all expenses invoiced directly to HVL must also be documented. Typically, this would be invoices from the travel agent. The documentation requirements are in effect for all expenses covered by the grant.

If the amount paid out in grants exceeds the documented expenses, any profits must be repaid through deductions in pay.

Please contact HR-Lønn if you have questions about the forms.