



NEW YORK UNIVERSITY ADOPTION ASSISTANCE PROGRAM

Updated August 2007

Introduction

New York University is proud to offer the Adoption Assistance Program as part of its roster of services for employees with family responsibilities. Other programs include the child care information and referral services, emergency dependent care program, dependent care spending accounts, and various child care leave provisions.

Effective Date

Effective September 1, 1999, eligible employees can request reimbursement for up to \$5,000 (\$6,000 for a child with special needs) for “qualified adoption expenses.” Any expenses incurred on or after the employee’s first day of NYU employment, but not before September 1, 1999 are eligible for reimbursement consideration.

Eligibility

• *Eligible Employees*

All full-time faculty (Code 102), administrative/professional staff (Code 100), and professional research staff (Code 103) are eligible to apply for reimbursement under the Adoption Assistance Program. Any expenses incurred on or after the employee’s first day of NYU employment are eligible for reimbursement consideration.

If an employee leaves the University, the employee is considered eligible for reimbursement of any “qualified adoption expenses,” if the placement of the eligible child or the finalization of adoption occurred prior to termination. All expenses claimed must have been incurred while the employee was employed by NYU. Claims for reimbursement must be made within 30 days of termination.

• *Eligible Child*

The adopted child must be under the age of 18 at the time a “qualified adoption expense” is paid or incurred and may not be the child of the employee’s spouse or domestic partner.

Benefit Amount

- Documented “qualified adoption expenses” will be reimbursed to a maximum of \$5,000 per adoption of an eligible child (\$6,000 for a child with special needs). If an employee and his/her spouse or domestic partner work at NYU, the two together are eligible to be reimbursed up to a maximum of \$5,000 per adoption.
- In the case of the simultaneous adoption of two eligible children, the maximum reimbursement will be \$10,000 for all combined “qualified adoption expenses.”
- If the employee and his/her spouse or domestic partner receive adoption assistance from any source other than the NYU Adoption Assistance Program for “qualified adoption expenses,” those same expenses will not be eligible for reimbursement under the NYU Adoption Assistance Program.

Qualified Adoption Expenses

“Qualified adoption expenses” are reasonable and necessary adoption fees, court costs, attorneys’ fees, and other expenses directly related to, and whose principal purpose is for, the legal adoption of an eligible child, such as:

- Reasonable and customary public and private adoption agency fees permitted or required under the law of the state having jurisdiction over the adoption.
- Reasonable and customary legal and court fees.
- Reasonable and customary fees for medical and hospital services provided to the child (not otherwise covered by insurance).
- Travelling expenses, while away from home, which are associated with the adoption, including: transportation, meals, and lodging.
- Immigration, child’s immunization and translation fees.
- Temporary foster care charges provided before placement of the eligible child in the employee’s home.

Excludable expenses include those incurred in violation of local, state or federal law or in carrying out any surrogate parenting agreements.

Tax Treatment of Reimbursement

The information provided here is a summary of the current tax laws as they apply to the NYU Adoption Assistance Program. This is not intended as tax or legal advice. Individual employees should consult with their own tax and/or legal advisors prior to participation. For more information concerning tax implications talk with your tax accountant or download information from the IRS website at <www.irs.gov>

Current IRS Regulations

- Beginning in 1997, the U.S. Congress enacted legislation providing that financial assistance paid for or reimbursed by an employer for qualifying adoption expenses may be excludable from the employee’s gross income subject to certain income limits. Effective January 2007, the maximum adoption credit is \$11,390.
- In addition, the Congress also provided for a tax credit, subject to income limitations, of up to \$11,390 for expenses to adopt an eligible child.
- Eligible Employees may use **both** the income exclusion and the federal tax credit for adoption expenses, provided that the same expenses are **not** submitted to the Adoption Assistance Program and also used to calculate the tax credit. The maximum limit for the combined exclusion and credit is \$22,780.
- New York University will not withhold any federal, New York State or New York City taxes on reimbursements to the employee under NYU’s Adoption Assistance Program.
- New York University will withhold FICA taxes on reimbursements to the employee under NYU’s Adoption Assistance Program to the extent the employee’s total FICA wages, including the adoption reimbursement do not exceed the calendar year FICA maximum (\$72,600 in 1999). New York University will withhold FICA-HI (Medicare) tax on the employee’s total wages including the adoption reimbursement amount.
- In all cases, the employee is responsible for the accurate reporting to the IRS and state and local taxing authorities of amounts reimbursed under the NYU Adoption Assistance Program. Such amounts are

identified on the employee's year-end W-2 the year in which the benefit is paid. Reimbursement amounts will be shown in Box 13, with code "T."

- IRS regulations currently state that the income exclusion for adoption assistance paid under this Adoption Assistance Program begins to phase out as the modified adjusted gross income ("modified AGI") of the employee and the employee's spouse exceeds \$170,820. The income exclusion is completely eliminated once the modified AGI reaches \$210,820. This phase out applies to the tax credit as well.
- If the employee believes that the phase out of the income exclusion for the Adoption Assistance Program benefit will apply, the employee may wish to increase your income tax withholding for federal, New York State and New York City taxes. The employee may do so by completing a revised form with the NYU Payroll Department.

Reimbursement Procedures

1. Eligible employees may apply for reimbursement of "qualified adoption expenses" upon placement of the eligible child in the employee's home. Applications for reimbursement must be made within six (6) months following placement.
2. Reimbursement forms are available from Family and Community Initiatives by phone, 212-998-9085 or online, www.nyu.edu/family.care.
3. Send the completed form, with verifying documents and invoices to: **Family and Community Initiatives, Office of Faculty Resources, 194 Mercer Street, Room 404B, New York, NY 10012**

Additional Questions

Contact the Family and Community Initiatives, Office of Faculty Resources at 212-998-9085.



New York University
A private university in the public service

NEW YORK UNIVERSITY
ADOPTION ASSISTANCE PROGRAM
 For Faculty, Administrative/Professional Staff and Professional Research Staff

REIMBURSEMENT APPLICATION
(Please print)

Name: _____ Social Security Number: _____

Home Address: _____

Work Address: _____

Home Phone: _____ Work Phone: _____

EMPLOYEE REQUEST FOR REIMBURSEMENT

I am applying for reimbursement of adoption expenses listed below, confirming that _____,
 (Child's Name)
 whose birth date is _____, was placed in my home for the purpose of adoption on _____
 (Date)

The date for adoption finalization, or anticipated finalization, is _____.

I do / do not have access to adoption assistance coverage from a source other than New York University. The name of the provider is _____. The amount reimbursed is/was _____.

ELIGIBLE ADOPTION EXPENSES

Date	Description (include name of person, organization or entity to which expense was paid)	Amount
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Reimbursement:		_____

Note: Please attach a copy of the receipts for all expenses listed above as well as a copy of the adoption placement decree and birth certificate.

PLEASE COMPLETE REVERSE SIDE

EMPLOYEE STATEMENT OF UNDERSTANDING

I certify that the receipts or cancelled checks I am submitting are qualified adoption expenses under New York University's Adoption Assistance Program. Qualified adoption expenses means reasonable and necessary adoption fees, court costs, attorney's fees, and other expenses directly related to, and whose principal purpose is for, the legal adoption of an eligible child under 18 years of age.

I certify that these expenses are not incurred in violation of state or federal law or in carrying out any surrogate parenting agreement, nor are these expenses incurred in connection with my adoption of the child of my spouse or domestic partner. Furthermore, these expenses have not been nor will they be reimbursed under an employer plan other than this Adoption Assistance Program, nor have they been previously reimbursed by NYU's Adoption Assistance Program, nor by any other source.

I further acknowledge that to the extent that any income tax exclusion or credit may be available to me, I cannot claim the exclusion and the credit for the same expense.

I understand that New York University does not make any commitment or guarantee that amounts paid to me under this Adoption Assistance Program will be excludable from my gross income for federal, state or local income tax purposes, or that any other federal tax treatment will apply to or be available to me. I understand that it is my obligation to determine whether any payment made under the Adoption Assistance Program is excludable from my gross income for federal income tax purposes.

(Signature of Applicant)

(Date)

PLEASE COMPLETE BOTH SIDES AND SUBMIT FORM TO:

Family and Community Initiatives
Office of Faculty Resources
New York University
194 Mercer Street, Room 404B
New York, NY 10012