§ 404.1043 Facilities or privileges—meals and lodging.

(a) Excluding the value of employer-provided facilities or privileges from employee gross income prior to January 1, 1985. (1) Generally, the facilities or privileges that an employer furnished an employee prior to January 1, 1985 are not wages if the facilities or privileges—
   (i) Were of relatively small value; and
   (ii) Were offered or furnished by the employer merely as a means of promoting the health, good will, contentment, or efficiency of the employees.

(2) The term facilities or privileges for the period prior to January 1, 1985 is intended to include such items as entertainment, medical services, and so-called courtesy discounts on purchases.

(b) Meals and lodging. The value of the meals and lodging furnished to an employee by an employer for reasons of the employer’s convenience is not wages if—
   (1) The meals are provided at the employer’s place of business; and
   (2) The employee, in the case of lodging, is required to accept lodging on the employer’s business premises as a condition of employment.

§ 404.1044 Vacation pay.

We consider your salary while on vacation, or a vacation allowance paid by your employer, to be wages.

§ 404.1045 Employee expenses.

Amounts that your employer pays you specifically—either as advances or reimbursements—for traveling or for other ordinary and necessary expenses incurred, or reasonably expected to be incurred, in your employer’s business are not wages. The employer must identify these travel and other expenses either by making a separate payment or by specifically stating the separate amounts if both wages and expense allowances are combined in a single payment.

§ 404.1046 Pay for work by certain members of religious orders.

(a) If you are a member of a religious order who has taken a vow of poverty (§ 404.1023), and the order has elected Social Security coverage under section 3121(r) of the Code, your wages are figured in a special way. Your wages, for Social Security purposes, are the fair market value of any board, lodging, clothing, and other items of value furnished to you by the order, or furnished to the order on your behalf by another

[52 FR 29662, Aug. 11, 1987]