



Sveriges lantbruksuniversitet
Swedish University of Agricultural Sciences

Division of Financial Administration

GOVERNING DOCUMENT

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Policy and guidelines for entertainment and gifts at SLU, including boundaries

1. General information about entertainment and gifts

SLU manages activities within which it is both appropriate and necessary to provide entertainment on various occasions. The entertainment shall always be connected directly to SLU's activities, and shall take place with good judgement and moderation.

Entertainment often leads to expenses for food, drink and different types of events. These expenses shall be considered closely in relation to the nature of the entertainment.

The vice-chancellor makes decisions about the maximum amounts to be spent on gifts and entertainment. The monetary limits are specified in this document.

Decisions regarding entertainment and gifts are made by the head of department/equivalent, and can be made verbally or in writing.

A head of department may delegate, in writing, any decision concerning entertainment to other department members/equivalent. The Head of Department is responsible within their department/equivalent for ensuring the entertainment and gifts are in line with the rules pertaining to entertainment.

It is the responsibility of individual ordering the purchase/entertainment and gifts to be aware of the policies and guidelines for entertainment and gifts.

The individual ordering the entertainment is responsible for knowing the rules (policy, guidelines and directions) regarding entertainment and gifts, and informing the person on whose behalf the order is being made of the rules for entertainment and gifts, as well as the boundaries.

Directions for this governing document can be found in the Finance Handbook on the Staff Web.

In accordance with the directions in the Finance Handbook, complete accounting information must be provided for every invoice, travel expense or similar in order for the cost to be accounted for as entertainment or a gift.

If the costs for entertainment or external gifts are expected to be larger amounts than specified by the guidelines, in exceptional cases, the request for exceeding the limit shall be made to the head of department/equivalent or senior manager. The written request shall be attached to the expense voucher and be well justified.

It is the responsibility of the account coder/travel expense examiner to pay attention to the maximum permissible entertainment amount and to take note of any incidences of the invoiced amount exceeding this, in accordance with this document.

Unless the head of department has approved the exceeding of the applicable monetary limits, the person ordering the entertainment or gift must pay the excess amount personally, through a salary deduction in the first instance.

2. Entertainment

Beer and wine may be included in the cost of entertainment during a meal to the extent that this is allowed by the recommended monetary limits.

Entertainment in the home shall be avoided, and may only be permitted by the head of department in exceptional cases and where special justification is attached to the expense voucher. The rules for external and internal entertainment also apply to entertainment in the home.

2.1 External representation

External representation refers to the type of hosting duties and hospitality that facilitates external contact with representatives for businesses that are of importance to SLU.

The entertainment shall not encompass other persons than those directly involved in the contact between SLU and the guests. The relatives of employees only represent SLU in exceptional cases. The number of representatives from SLU shall be considered closely in relation to the number of guests.

The persons from SLU should not outnumber the external persons at the event. If the number of persons from SLU exceeds the number of external participants, the person who ordered the entertainment shall attach a special justification to the expense voucher.

Repeated entertainment of one person or a group of people may be seen as personal hospitality and should be avoided. If this occurs in exceptional cases, special justification must be attached to the expense voucher, and the entire amount including VAT shall be expensed.

In exceptional cases, spirits may be included in the costs for entertainment during visits from foreign guests.

2.2 Internal entertainment

For an event to be classed as internal entertainment, it must involve some form of hosting duties and SLU employees must make up the majority of the participants.

Internal entertainment may take place in conjunction with staff parties and information meetings. VAT deductions are approved for a maximum of two staff parties per year, including the Christmas party.

In the event of other internal meetings that are not attended by the entire department/equivalent, simple food and drink of lesser value may be accounted for as internal entertainment.

A farewell event when an employment position ends or somebody retires may be paid for by SLU and accounted for as internal entertainment. The entire amount including VAT is expensed as the personal hospitality is a large part of the cost.

2.3 Boundaries

Celebrations of a simpler nature with, e.g., flowers or food and drink for events such as a disputation, birthday, cessation of employment, etc., may be paid for by SLU. This is not regarded as entertainment or a gift; it is instead categorised as staff welfare. This type of celebration is exempt from taxation for the employee if everybody in the department/equivalent is treated in

the same way. Certain criteria must be met. For example, staff welfare must apply to everybody, be of limited value and be provided at the workplace. As supporting evidence that everybody is treated equally within staff welfare, it is recommended that the department/equivalent draw up an internal document for staff welfare within the boundaries found in this document. Internal documents for staff welfare are also recommended for other organisational groupings, e.g., for the head of university administration as manager of the university administration's divisional managers and deans as managers of the heads of department.

There are different monetary limits depending on the type of staff welfare, so that it does not constitute taxable benefits. Healthcare as staff welfare is determined in another policy.

Internal courses and conferences are operational costs with the right to full VAT deduction, provided the rules stated in the Finance Handbook and the monetary limits in this document are followed. If the monetary limits are exceeded in exceptional cases, this shall be specially justified, approved by the head of department and accounted for as internal entertainment.

“Work lunches”, i.e., meals that do not fit under the concepts of information meeting, staff party, internal course or conference, should not take place. This is in order to avoid the taxation of employee benefits. Those participating in work lunches will be taxed on their benefits. The account coders shall report to the Human Resources Division if the meals are to be taxed as benefits.

3. Gifts to persons or organisations outside SLU

Gifts to persons or organisations outside SLU may be given in the form of promotional or entertainment gifts. If a gift is to be given, there must be a direct connection with SLU's activities. Gifts may be given in conjunction with the signing of important agreements for SLU, the start or completion of a valuable cooperation, and in the event of inaugurations or jubilees. On these occasions, gifts can be presented to representatives for other authorities, companies, countries or equivalent.

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| <p>In the first instance, promotional gifts shall be given during celebrations of persons and organisations outside of SLU. Otherwise, standard entertainment gifts such as flowers, fruit baskets, chocolates or similar may be given.</p> |
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"Promotional gifts" are articles without personal character and of relatively small value. Gifts of this type are furnished with the University's name and logo, and are comprised of the profile products provided by the Division of Communication. In order to give an promotional gift it must be possible to assume that a corresponding value will be received in publicity value from the recipient.

The monetary limits for external gifts are established in this document. A head of department may decide that these limits may be exceeded, within reasonable boundaries, if it is well justified. Any requests to exceed the limits are made to the head of department/equivalent or senior manager. Requests are made in writing and must be attached to the invoice together with the approval.

4. Gifts and celebrating employees

Gifts to employees are essentially equivalent to compensation for work performed. This means that such gifts constitute taxable income for the recipient.

SLU will never give gifts that are taxable to employees.

The monetary limits established for gifts must therefore never be exceeded. The exceeding of the applicable monetary limits means that the individual ordering the purchase of the gift must pay the excess amount personally, through a salary deduction in the first instance.

Souvenirs, Christmas gifts of smaller values and customary jubilee gifts are exempt from tax as long as the established monetary limits are observed.

Tax-exempt **souvenirs** may be presented to employees that have had long-term employment with SLU (25 years or more) or in the event of cessation of employment. One person can receive a maximum of two souvenirs throughout their public service career, including NOR.

The distinction 'Royal Medal for Zeal and Probity in the Service of the Kingdom', NOR, is a souvenir that may be presented to a public service employee of 30 years (25 years upon retirement). It is normal for presentation of the distinction to take place in conjunction with a dinner. This is arranged on the initiative of the vice-chancellor.

Celebrations in which souvenirs are presented to persons whose

employment is ending due to retirement or other reasons are arranged on the initiative of the department/equivalent. The cost of souvenirs may not exceed SLU's monetary limits. For a souvenir to be awarded upon cessation of employment, the employee must have worked at SLU for at least six years.

It is not permitted to give gifts paid for by SLU in the event of e.g., celebrations and farewells of employees from other departments/equivalent. The risk here is that the recipient may be taxed on benefits. So that the recipient of the gift is not taxed on benefits, the person who made the decision regarding the gift must pay the excess amount personally. In the first instance, a salary deduction will be made from that person.

It is the responsibility of the head of department/equivalent to make decisions concerning **Christmas gifts**. The cost for Christmas gifts may not exceed SLU's monetary limits.

“Jubilee gifts” are gifts given to employees when SLU celebrates its 50, 75 or 100 years jubilee etc. Decisions regarding jubilee gifts are made by the vice-chancellor.

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| <p>It is not permitted to celebrate employees' birthdays under SLU's auspices. Presents paid for by SLU may only be given in the context of staff welfare by the department/equivalent in which the recipient is employed.</p> |
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5. Monetary limits for entertainment and gifts at SLU

Stated below are the maximum amounts permitted for entertainment at SLU on the basis of different types of entertainment. The amounts are determined at a certain level so that the benefits are not taxed; see column two in the table.

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| <p>It should be noted that the maximum amount for external and internal entertainment may not be exceeded without consent from the head of department/equivalent. In the event that limits are exceeded, the excess amount will be treated as a private living expense (through a salary deduction in the first instance) that shall be encumbered by the person who ordered the entertainment.</p> |
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Column one shows the type of entertainment. The person who decided upon the entertainment must know in advance the type of entertainment or gift that is involved.

Column two shows the monetary limits for entertainment and gifts at SLU. The amounts shown include VAT.

| Type of entertainment | Maximum permitted amount for entertainment, including VAT. |
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| <i>External entertainment</i> (including entertainment in the home) | SEK 700/person |
| Meal (lunch, dinner) | SEK 700/person |
| Light food and drink (breakfast, refreshments) | SEK 67/person |
| Theatre visits and similar | SEK 700/person |
| Entertainment gifts | SEK 700 |
| Entertainment gifts in conjunction with festival days, holidays or funerals. | SEK 700 |
| Promotional gifts in the form of profile products | All profile products are permitted |
| <i>Internal entertainment</i> (including entertainment in the home) | SEK 500/person |
| Meal (lunch, dinner) | SEK 500/person |
| Light food and drink (breakfast, refreshments) | SEK 67/person |
| Board meeting (only light food and drink) | SEK 67/person |
| Staff party | SEK 500/person |
| - incl. Christmas lunch of which meal | |
| - incl. associated costs | |
| Theatre visits and similar | SEK 500/person |
| Information meeting (lunch and dinner) | SEK 500/person |
| Information meeting (light meal) | SEK 67/person |
| Gifts to employees | |
| Christmas gift | SEK 450/person |
| Jubilee gift | SEK 1,350/person |
| Souvenir, NOR | Up to the Swedish Tax Agency's amount |
| Souvenir, farewell | SEK 2,000/person |

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| Staff welfare | |
| Flowers | Smaller value ¹ |
| Food | SEK 67 |
| Internal meetings that are not classed as entertainment ²⁾ | |
| Planning days | SEK 500/person |
| Internal conferences | SEK 500/person |
| Internal courses ³⁾ | 500/person |

¹⁾ See the Finance Handbook for more detailed directions;

<https://internt.slu.se/sv/stod-och-service/ekonomi/ekonomihandboken/ekonomihandboken-kap-14/>

²⁾ Note that special conditions must be met in order to account for these costs as courses, conferences or planning days; see the Finance Handbook; <https://internt.slu.se/sv/stod-och-service/ekonomi/ekonomihandboken/ekonomihandboken-kap-15/>

³⁾ Internal courses are courses arranged by SLU for the staff.

This document is regulated by the Income Tax Act (1999:1229), the general advice and position currently adopted by the Swedish Tax Agency.