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[Gift, Prizes and Awards Policy](#)

General Information

Any gifts, awards or prizes (except for cash/cash equivalents) valued at \$40 or more, is considered taxable and must be included as a fringe benefit for PSU employees. Any cash or cash equivalents will be considered taxable, regardless of the amount. The value of the fringe benefit is added to gross pay and increases the amount of applicable taxes.

The State of Kansas ethics rules allow state employees to receive a gift valued at less than \$40 if it is presented at an official function. State ethics rules and IRS reporting implications apply regardless of funding source. For the purpose of determining taxability, PSU defines “de minimis” at less than \$40.

A gift is something given without expectation of something in return. An award is something given to recognize achievement. A prize is something given for winning a drawing or competitive contest.

IRS Regulations

The IRS defines a gift as, “Any transfer to an individual, either directly or indirectly, where full consideration (measured in money or money’s worth) is not received in return”. The State of Kansas defines a gift as “The transfer of money or anything of value unless legal consideration of a reasonably equal or greater value is received in return”.

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