

US Domestic Lump Sum Program Market Practices

Year over year, companies seek to offer support for their mobile population that provides an exceptional employee experience, achieves business objectives, and reflects corporate culture and values. To accomplish this, Graebel partners with these organizations to provide strategic guidance in developing and transforming their relocation programs using our “people-first” approach to talent mobility. The following is a summary of typical practices of this market for US domestic lump sum programs.

Program definition and eligibility

This program applies to both newly hired and current employees.

Many corporations reserve this program for new college graduates and entry-level employees, with some companies extending its applicability for self-initiated moves.

Accompaniment includes the employee’s spouse/domestic partner and eligible household members, as defined by each company.



Lump sum allowance

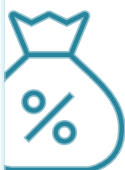


One-time payment intended to cover all relocation-related expenses. This amount may be either a predetermined amount or customized based on a variety of factors such as employment status (new hire / current employee), housing status (renter / homeowner), employee level / grade, move distance, and/or household size. Allowances range from

USD 2,000 – USD 30,000.

Due to the autonomous nature of the benefit, corporations often provide supplemental support via online resources, such as referrals to vetted suppliers (e.g., household goods, temporary living), moving checklists, destination content, etc.

Tax considerations



Tax assistance or gross-up is typically calculated using a supplement rate, as the lump sum allowance is considered taxable income.

Repayment terms

Most organizations include a two-year agreement requiring repayment if employment is terminated:

- Within Year 1: 100%
- Within Year 2: 50%

