

## TITLE 72

### WORKER'S COMPENSATION AND RELATED LAWS -- INDUSTRIAL COMMISSION

#### CHAPTER 13

#### EMPLOYMENT SECURITY LAW

##### 72-1328A.BOARD, LODGING, AND MEALS

(1) When board, lodging, meals, or any other payment in kind comprise, in whole or in part, an employee's wages, the value of such board, lodging, or other payment shall be determined as follows:

(a) If a cash value is agreed upon in any contract of hire, the amount so agreed upon shall be used provided it is a reasonable, fair market value. If there is no agreement, or if the contract of hire states an amount less than a reasonable, fair market value, the department shall determine the reasonable or fair market value to be used.

(b) The value of meals and lodging furnished by an employer to the employee will not be included in the employee's gross income, when furnished on the employer's business premises for the employer's convenience, and in the case of lodging (but not meals), the employees are required to accept the lodging in order to properly perform their duties and as a condition of their employment.

(c) In order to exclude the value of lodging from an employee's gross wages, the employer must show that the wages paid to the employee for services performed meet the prevailing wage for those services. If the employer's records do not show or establish that the employee received the prevailing wage for services performed, then the reasonable or fair market value of the lodging will be included as wages in the employee's gross income.

(2) Meals or lodging furnished will be considered for the employer's convenience if the employer has a substantial business reason other than providing additional remuneration to the employee. A statement that the meals or lodging are not intended as remuneration is not sufficient to establish that either meals or lodging are furnished for the employer's convenience.

(3) In the case of employees who receive remuneration in the form of subsistence, such as groceries, staples, and fundamental shelter, the fair value of such subsistence will be determined by the department.

---

**IDAPA 09.01.35**

**241.BOARD, LODGING, MEALS.**

When board, lodging, meals, or any other payment in kind considered as payment for services

performed by an employee constitute a part of wages or wholly comprise an employee's wages, the value of such board, lodging, or other payment shall be determined as follows:

01.Cash Value. If a cash value for such board, lodging, or other payment is agreed upon in any contract of hire, the amount so agreed upon shall be used provided it is a reasonable, fair market value. If there is no agreement, or if the contract of hire states an amount less than a reasonable, fair market value, the Department of Labor shall determine the reasonable or fair market value to be used. Ref. Section 72-1328, Idaho Code.

02.Meals and Lodging Not Included in Gross Wages. The value of meals and lodging furnished by an employer to the employee will not be included in the employee's gross income if it meets the following tests:

a.The meals or lodging are furnished on the employer's business premises;

b.The meals or lodging are furnished for the employer's convenience; and

c.In the case of lodging (but not meals), the employees must be required to accept the lodging as a condition of their employment. This means that they must accept the lodging to allow them to properly perform their duties.

d.In order to exclude the value of lodging from an employee's gross wages, the employer must show that the wages paid to the employee for services performed meets the prevailing wage for those services. If the employer's records do not show or establish that the employee received the prevailing wage for services performed, then the reasonable or fair market value of the lodging will be included in the employee's gross income as wages. Ref. Section 72-1328, Idaho Code.

03.Meals or Lodging for Employer Convenience. Meals or lodging furnished will be considered for the employer's convenience if the employer has a substantial business reason other than providing additional pay to the worker. A statement that the meals or lodging are not intended as pay is not enough to prove that either meals or lodging are furnished for the employer's convenience. Ref. Section 72-1328, Idaho Code.

04.Subsistence Remuneration. In the case of employees who receive remuneration in the form of subsistence, such as groceries, staples, and fundamental shelter, the fair value of such subsistence will be determined by the Director. Ref. Section 72-1328, Idaho Code.