



# EXECUTIVE COMPENSATION IN HIGHER EDUCATION: TAX ISSUES AND OPPORTUNITIES

Prepared for  
2019 Higher Education Taxation Institute

Karen Field, RSM LLP  
Wendy Swary, The Ohio State University

1

## Overview

Executive compensation is an important component of recruiting and retaining talented leaders to lead your institution.

### Overview

- Initial considerations
- IRC Section 4960 excise tax
- Other key tax issues and opportunities, including enhanced deferral opportunities and fringe benefits

2

## Initial Considerations

3

## Initial Considerations: What is Executive Compensation?

- Remuneration provided to senior level management and executive leaders within a college or university
- Executive compensation includes salaries, incentives, deferred compensation, benefits and perquisites
- Executive compensation is often a negotiation between the employee and the college or university

4

## Initial Considerations: Applicable Laws

- State laws
- Federal laws, including:
  - Restrictions relating to incentive compensation
  - Rules specific to physician compensation
  - ERISA
  - Tax

5

## Initial Considerations: Governance

- Board of Trustees bylaws and rules
- Institutional policies
- Compensation philosophy

6

Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the [UT Law CLE eLibrary \(utcle.org/elibrary\)](https://utcle.org/elibrary)

## Title search: Executive Compensation in Higher Education: Tax Issues and Opportunities

Also available as part of the eCourse

[2019 Higher Education Taxation eConference](#)

First appeared as part of the conference materials for the  
7<sup>th</sup> Annual Higher Education Taxation Institute session

"Executive Compensation in Higher Education: Tax Issues and Opportunities"