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California Department of Public Health



EDMUND G. BROWN JR.  
Governor

March 27, 2015

TO: PROJECT DIRECTOR  
NUTRITION EDUCATION AND OBESITY PREVENTION BRANCH (NEOPB)

SUBJECT: PROGRAM LETTER 15-03  
CHANGE IN THE DEFINITION OF WHAT MAY BE CLAIMED AS AN  
INCIDENTAL

This Program Letter informs NEOPB Contractors that effective February 1, 2015, the State's definition of the items that may be claimed as an incidental has been updated.

This change has been made to ensure that the state is in compliance with the recent standards set by the Internal Revenue Service (IRS) in IRS Publication 463.

The new definition of an incidental is:

- The term "incidental expenses" means fees and tips given to porters, baggage carriers, hotel staff, and staff on ships.

It is important to note that no other items may be claimed as an incidental.

If you have any questions or concerns, please contact your assigned Contract Manager directly.

Sincerely,

Melissa Relles, Chief  
Contract Operations Section  
Nutrition Education and Obesity Prevention Branch