

§ 302-15.12

(a) Your agency allows you to change your election of payment from property management expenses to the sale of your residence at Government expense; and

(b) Payment for sale of your residence at Government expense is offset in accordance with your agency's policy established under § 302-15.70(d).

§ 302-15.12 If my agency is paying for property management services under this part and my service agreement expires, what must I do to ensure that payment for property management services continues?

You must sign a new service agreement (see § 302-2.13 of this chapter) to continue to this benefit.

§ 302-15.13 What are the income tax consequences when my agency pays for my property management services?

When your agency pays for your property management services, you will be taxed on the amount of expenses your agency pays for property management services whether it reimburses you directly or whether it pays a relocation service company to manage your residence. Your agency must pay you a relocation income tax (RIT) allowance for the additional Federal, State and local income taxes you incur on property management expenses it reimburses you or pays on your behalf.

NOTE TO § 302-15.13: You may wish to consult with a tax advisor to determine whether you will incur any additional tax liability, unrelated to your agency's payment of your property management expenses, as a result

41 CFR Ch. 302 (7-1-03 Edition)

of maintaining your residence as a rental property.

Subpart B—Agency Responsibilities

NOTE TO SUBPART B: Use of pronouns "we", "you", and their variants throughout this subpart refers to the agency.

§ 302-15.70 What governing policies must we establish for the allowance for property management services?

You must establish policies and procedures governing:

(a) When you will authorize payment for property management services for an employee who transfers in the interest of the Government;

(b) Who will determine, for relocations to official stations in the United States, whether payment for property management services is more advantageous and cost effective than sale of an employee's residence at Government expense;

(c) If and when you will allow an employee who was offered and accepted payment for property management services to change his/her mind and elect instead to sell his/her residence at Government expense in accordance with paragraph (d) of this section; and

(d) How you will offset expenses you have paid for property management services against payable expenses for sale of the employee's residence when an eligible employee who elected payment for property management services later changes his/her mind and elects instead to sell his/her residence at Government expense.

SUBCHAPTER F—MISCELLANEOUS ALLOWANCES

PART 302-16—ALLOWANCE FOR MISCELLANEOUS EXPENSES

Subpart A—General

Sec.

- 302-16.1 What are miscellaneous expenses?
- 302-16.2 What is the purpose of the miscellaneous expenses allowance (MEA)?
- 302-16.3 Who is and is not eligible for a MEA?
- 302-16.4 Must my agency authorize payment of a MEA?

Subpart B—Employee’s Allowance for Miscellaneous Expenses

- 302-16.100 How will I receive the MEA?
- 302-16.101 May I receive an advance of funds for MEA?
- 302-16.102 What amount may my agency reimburse me for miscellaneous expenses?
- 302-16.103 May I claim an amount in excess of that prescribed in §302-16.102?
- 302-16.104 Must I document my miscellaneous expenses to receive reimbursement?
- 302-16.105 What standard of care must I use in incurring miscellaneous expenses?

Subpart C—Agency Responsibilities

- 302-16.200 What governing policies must we establish for MEA?

302-16.201 How should we administer the authorization and payment of miscellaneous expenses?

302-16.202 Are there any restrictions to the types of costs we may cover?

302-16.203 What are examples of types of costs not covered by the MEA?

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SOURCE: FTR Amdt. 98, 66 FR 58196, Nov. 20, 2001, unless otherwise noted.

Subpart A—General

NOTE TO SUBPART A: Use of pronouns “I”, “you”, and their variants throughout this subpart refers to the employee, unless otherwise noted.

§302-16.1 What are miscellaneous expenses?

(a) Miscellaneous expenses are costs associated with:

- (1) Discontinuing your residence at your old official station, and/or
- (2) Establishing a residence at your new official station.

(b) Expenses allowable under paragraphs(a)(1) or (a)(2) of this section include, but are not limited to the following:

General expenses	Fees/deposits	Losses
Appliances	For disconnecting/connecting appliances, equipment, utilities (except for mobile homes see §302-10.20), conversion of appliances for operation on available utilities.	
Rugs, draperies, and curtains	For cutting and fitting such items, moved from one residence quarters to another.	
Utilities (See §302-10.20 for mobile homes).	Deposits or fees not offset by eventual refunds.	
Medical, dental, and food locker contracts.	Forfeiture losses not transferable or refundable.
Private Institutional care contracts (such as that provided for handicapped or invalid dependents only).	Forfeiture losses not transferable or refundable.
Privately-owned automobiles	Registration, Driver’s license, and use taxes imposed when bringing into certain jurisdictions.	
Transportations of pets	Only costs associated with dogs, cats and other house pets are included. Other animals (horses, fish, birds, various rodents, etc.) are excluded because of their size, exotic nature, or restrictions on shipping, host country restrictions and special handling difficulties. Costs are limited to transportation and handling costs, required to meet the more stringent rules of air carriers, not included are inoculations, examinations, boarding quarantine or other costs in the moving process.	