

## Relocation Allowances

## § 302-16.203

### § 302-16.105 What standard of care must I use in incurring miscellaneous expenses?

You must exercise the same care in incurring expenses that a prudent person would exercise if relocating at personal expense.

### Subpart C—Agency Responsibilities

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

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

For MEAs, you must establish policies and procedures governing:

- (a) Who will determine whether payment for an amount in excess of the flat MEA is appropriate; and
- (b) How you will pay a MEA in accordance with §§ 302-16.3 and 302-16.4.

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

You should limit payment of miscellaneous expenses to only those expenses that are necessary.

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

Yes, a MEA cannot be used to reimburse:

- (a) Costs or expenses incurred which exceed maximums provided by statute or in this subtitle;
- (b) Costs or expenses incurred but which are disallowed elsewhere in this subtitle;
- (c) Costs reimbursed under other provisions of law or regulations;
- (d) Costs or expenses incurred for reasons of personal taste or preference and not required because of the move;
- (e) Losses covered by insurance;
- (f) Fines or other penalties imposed upon the employee or members of his/her immediate family;
- (g) Judgements, court costs, and similar expenses growing out of civil actions; or
- (h) Any other expenses brought about by circumstances, factors, or actions in which the move to a new duty station was not the proximate cause.

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

Examples of costs which are not reimbursable from this allowance are:

- (a) Losses in selling or buying real and personal property and cost related to such transactions;
- (b) Cost of additional insurance on household goods while in transit to the new official station or cost of loss or damage to such property;
- (c) Additional costs of moving household goods caused by exceeding the maximum weight limitation;
- (d) Costs of newly acquired items, such as the purchase or installation cost of new rugs or draperies;
- (e) Higher income, real estate, sales, or other taxes as the result of establishing residence in the new locality;
- (f) Fines imposed for traffic infractions while en route to the new official station locality;
- (g) Accident insurance premiums or liability costs incurred in connection with travel to the new official station locality, or any other liability imposed upon the employee for uninsured damages caused by accidents for which he/she or a member of his/her immediate family is held responsible;
- (h) Losses as the result of sale or disposal of items of personal property not considered convenient or practicable to move;
- (i) Damage or loss of clothing, luggage, or other personal effects while traveling to the new official station locality;
- (j) Subsistence, transportation, or mileage expenses in excess of the amounts reimbursed as per diem or other allowances under this regulation;
- (k) Medical expenses due to illness or injuries while en route to the new official station or while living in temporary quarters at Government expense under the provisions of this chapter; or
- (l) Costs incurred in connections with structural alterations (remodeling or modernizing of living quarters, garages or other buildings to accommodate privately-owned automobiles, appliances or equipment; or the cost of replacing or repairing worn-out or defective appliances, or equipment shipped to the new location).

**PART 302-17—RELOCATION  
INCOME TAX (RIT) ALLOWANCE**

Sec.

302-17.1 Authority.

302-17.2 Coverage.

302-17.3 Types of moving expenses or allowances covered and general limitations.

302-17.4 Exclusions from coverage.

302-17.5 Definitions and discussion of terms.

302-17.6 Procedures in general.

302-17.7 Procedures for determining the WTA in Year 1.

302-17.8 Rules and procedures for determining the RIT allowance in Year 2.

302-17.9 Responsibilities.

302-17.10 Claims for payment and supporting documentation and verification.

302-17.11 Violation of service agreement.

302-17.12 Advance of funds.

302-17.13 Source references.

APPENDIX A TO PART 302-17—FEDERAL TAX TABLES FOR RIT ALLOWANCE

APPENDIX B TO PART 302-17—STATE TAX TABLES FOR RIT ALLOWANCE

APPENDIX C TO PART 302-17—FEDERAL TAX TABLES FOR RIT ALLOWANCE—YEAR 2

APPENDIX D TO PART 302-17—PUERTO RICO TAX TABLES FOR RIT ALLOWANCE

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

**§ 302-17.1 Authority.**

Payment of a relocation income tax (RIT) allowance is authorized to reimburse eligible transferred employees for substantially all of the additional Federal, State, and local income taxes incurred by the employee, or by the employee and spouse if a joint tax return is filed, as a result of certain travel and transportation expense and relocation allowances which are furnished in kind, or for which reimbursement or an allowance is provided by the Government. Payment of the RIT allowance also is authorized for income taxes paid to the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, and the U.S. possessions in accordance with a decision of the Comptroller General of the United States (67 Comp. Gen. 135 (1987)). The RIT allowance shall be calculated and paid as provided in this part.

**§ 302-17.2 Coverage.**

(a) *Eligible employees.* Payment of a RIT allowance is authorized for employees transferred on or after November 14, 1983, in the interest of the Government from one official station to another for permanent duty. The effective date of an employee's transfer is the date the employee reports for duty at the new official station as provided in part 300.3 of this title.

(b) *Individuals not covered.* The provisions of this part are not applicable to the following individuals or employees:

(1) New appointees;

(2) Employees assigned under the Government Employees Training Act (see 5 U.S.C. 4109); or

(3) Employees returning from overseas assignments for the purpose of separation.

**§ 302-17.3 Types of moving expenses or allowances covered and general limitations.**

The RIT allowance is limited by law as to the types of moving expenses that can be covered. The law authorizes reimbursement of additional income taxes resulting from certain moving expenses furnished in kind or for which reimbursement or an allowance is provided to the transferred employee by the Government. However, such moving expenses are covered by the RIT allowance only to the extent that they are actually paid or incurred, and are not allowable as a moving expense deduction for tax purposes. The types of expenses or allowances listed in paragraphs (a) through (i) of this section, are covered by the RIT allowance within the limitations discussed.

(a) *En route travel.* Travel (including per diem) and transportation expenses of the transferred employee and immediate family for en route travel from the old official station to the new official station. (See part 302-4 of this chapter.)

(b) *Household goods shipment.* Transportation (including temporary storage) expenses for movement of household goods from the old official station to the new official station. (See part 302-7 of this chapter.)

(c) *Extended storage expenses.* Allowable expenses for extended storage of