

**Relocation Allowances**

**§ 302-17.13**

	Form(s) W-2	Schedule SE
Spouse (if filing jointly <sup>1</sup> ) .....	\$	\$
Total (Both columns) .....	.....	\$

—Filing status: \_\_\_\_\_ (Specify one of the filing status items that was (or will be) claimed on IRS Form 1040.)

—Marginal tax rates from appendices A, B, and C of 41 CFR part 302-17 and local tax tables derived under procedures prescribed in 41 CFR part 302-17:

Federal for Year 1 \_\_\_\_\_

Federal for Year 2 \_\_\_\_\_

State (specify which): \_\_\_\_\_

Local (specify which): \_\_\_\_\_

The above information is true and accurate to the best of my knowledge. I (we) agree to notify the appropriate agency official of any changes to the above (i.e., from amended tax returns, tax audit, etc.) so that appropriate adjustments to the RIT allowance can be made. The required supporting documents are attached. Additional documentation will be furnished if requested.

I (we) further agree that if the 12-month service agreement required by 41 CFR 302-2.13 is violated, the total amount of the RIT allowance will become a debt due the United States Government and will be repaid according to agency procedures.

\_\_\_\_\_  
Employee's signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Spouse's signature (if filing jointly) <sup>1</sup>

\_\_\_\_\_  
Date

<sup>1</sup>If a joint filing status is claimed and spouse's income is included, the spouse must sign the statement. If the spouse does not sign the document, earned income will include only the employee's earned income as provided in 41 CFR 302-17.8(d). This condition will not apply if an employee is allowed, under IRS rules, to file a joint return as a surviving spouse.

(b) *Supporting documentation/verification.* The claim for the RIT allowance shall be supported by documentation attached to the voucher and by verification of State and local tax obligations as provided below:

(1) Copies of the appropriate IRS Forms W-2 and, if applicable, the completed IRS Schedule SE (Form 1040) shall be attached to the voucher to substantiate the income amounts shown in the certified statement. Employee (and spouse, if filing jointly) must agree to provide additional documentation to verify income amounts,

filing status, and State and local income tax obligations if requested by the agency.

(2) In order to determine or verify whether a particular State or local tax authority imposes a tax on moving expense reimbursements, it is incumbent upon the appropriate agency officials to become familiar with the State and local tax laws that affect their transferring employees. In cases where the taxability of moving expense reimbursements is not clear, an agency may pay a RIT allowance which reflects only those State and local tax obligations that are clearly imposed under State and local tax law. Once the questionable State or local tax obligations are resolved, agencies may recompute the RIT allowance and make appropriate payment adjustments.

(c) *Fraudulent claims.* A claim against the United States is forfeited if the claimant defrauds or attempts to defraud the Government in connection therewith (28 U.S.C. 2514). In addition, there are two criminal provisions under which severe penalties may be imposed on an employee who knowingly presents a false, fictitious, or fraudulent claim against the United States (18 U.S.C. 287 and 1001). The employee's claim for payment of the RIT allowance shall accurately reflect the facts involved in every instance so that any violation of these provisions will be avoided.

**§ 302-17.11 Violation of service agreement.**

In the event the employee violates the terms of the service agreement required under §302-2.13, no part of the RIT allowance or the WTA will be paid, and any amounts paid prior to such violation shall be a debt due the United States until they are repaid by the employee.

**§ 302-17.12 Advance of funds.**

No advance of funds is authorized in connection with the allowance provided in this part.

**§ 302-17.13 Source references.**

The following references or publications have been used as source material for this part.

(a) Internal Revenue Code (IRC), section 164(a)(3) (26 U.S.C. 164(a)(3)) pertaining to the deductibility of State and local income taxes, and section 217 (26 U.S.C. 217), pertaining to moving expenses.

(b) Internal Revenue Service Publication 521, "Moving Expenses."

(c) Internal Revenue Service, Circular E, "Employer's Tax Guide."

(d) Department of the Treasury Financial Manual, TFM 3-5000.

(e) 31 CFR 215.2 (5 U.S.C. 5516, 5517, and 5520).

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

FEDERAL MARGINAL TAX RATES BY EARNED INCOME LEVEL AND FILING STATUS—TAX YEAR 2003

The following table is to be used to determine the Federal marginal tax rate for Year 1 for computation of the RIT allowance as prescribed in §302-17.8(e)(1). This table is to be used for employees whose Year 1 occurred during calendar year 2003.

Marginal tax rate  Percent	Single taxpayer		Heads of household		Married filing jointly/ qualifying widows & widowers		Married filing separately	
	Over	But not over	Over	But not over	Over	But not over	Over	But not over
10 .....	\$8,274	\$14,314	\$15,005	\$25,136	\$20,977	\$32,559	\$10,958	\$16,536
15 .....	14,314	37,771	25,136	54,712	32,559	69,722	16,536	34,507
27 .....	37,771	81,890	54,712	122,788	69,722	142,842	34,507	70,442
30 .....	81,890	162,802	122,788	193,703	142,842	206,675	70,442	107,631
35 .....	162,802	334,763	193,703	350,138	206,675	343,919	107,631	181,753
38.6 .....	334,763	.....	350,138	.....	343,919	.....	181,753	.....

[FTR Amdt. 2004-01, 69 FR 12079, Mar. 15, 2004]

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

STATE MARGINAL TAX RATES BY EARNED INCOME LEVEL—TAX YEAR 2003

The following table is to be used to determine the State marginal tax rates for calculation of the RIT allowance as prescribed in §302-17.8(e)(2). This table is to be used for employees who received covered taxable reimbursements during calendar year 2003.

MARGINAL TAX RATES (STATED IN PERCENTS) FOR THE EARNED INCOME AMOUNTS SPECIFIED IN EACH COLUMN.<sup>1,2</sup>

State (or district)	\$20,000- \$24,999	\$25,000- \$49,999	\$50,000- \$74,999	<sup>3</sup> \$75,000 & over
Alabama .....	5	5	5	5
Alaska .....	0	0	0	0
Arizona .....	3.20	3.74	4.72	5.04
Arkansas .....	6	7	7	7
California .....	2	4	8	9.3
If single status <sup>4</sup> .....	6	8	9.3	9.3
Colorado .....	4.63	4.63	4.63	4.63
Connecticut .....	5	5	5	5
Delaware .....	5.2	5.55	5.95	5.95
District of Columbia .....	7.5	9.3	9.3	9.3
Florida .....	0	0	0	0
Georgia .....	6	6	6	6
Hawaii .....	6.4	7.6	8.25	8.25
If single status <sup>4</sup> .....	7.6	8.25	8.25	8.25
Idaho .....	7.4	7.8	7.8	7.8
Illinois .....	3	3	3	3
Indiana .....	3.4	3.4	3.4	3.4
Iowa .....	6.48	7.92	8.98	8.98
Kansas .....	3.5	6.25	6.45	6.45
If single status <sup>4</sup> .....	6.25	6.45	6.45	6.45
Kentucky .....	6	6	6	6
Louisiana .....	4	6	6	6
Maine .....	7	8.5	8.5	8.5
If single status <sup>4</sup> .....	8.5	8.5	8.5	8.5
Maryland .....	4	4	4	4

Relocation Allowances

Pt. 302-17, App. C

MARGINAL TAX RATES (STATED IN PERCENTS) FOR THE EARNED INCOME AMOUNTS SPECIFIED IN EACH COLUMN.<sup>1,2</sup>—Continued

State (or district)	\$20,000– \$24,999	\$25,000– \$49,999	\$50,000– \$74,999	<sup>3</sup> \$75,000 & over
Massachusetts	5.3	5.3	5.3	5.3
Michigan	4	4	4	4
Minnesota	5.35	7.05	7.05	7.05
If single status <sup>4</sup>	7.05	7.05	7.85	7.85
Mississippi	5	5	5	5
Missouri	6	6	6	6
Montana	7	9	10	10
Nebraska	3.57	5.12	6.84	6.84
If single status <sup>4</sup>	5.12	6.84	6.84	6.84
Nevada	0	0	0	0
New Hampshire	0	0	0	0
New Jersey	1.75	1.75	2.45	3.5
If single status <sup>4</sup>	1.75	3.5	5.525	6.37
New Mexico	4.7	6	7.1	7.7
If single status <sup>4</sup>	6	7.1	7.7	7.7
New York	5.25	5.9	6.85	6.85
If single status <sup>4</sup>	6.85	6.85	6.85	6.85
North Carolina	7	7	7	7
North Dakota	2.1	2.1	3.92	3.92
If single status <sup>4</sup>	2.1	2.1	3.92	4.34
Ohio	4.457	4.457	5.201	5.201
Oklahoma	7	7	7	7
Oregon	9	9	9	9
Pennsylvania	2.8	2.8	2.8	2.8
Rhode Island <sup>5</sup>	25	25	25	25
South Carolina	7	7	7	7
South Dakota	0	0	0	0
Tennessee	0	0	0	0
Texas	0	0	0	0
Utah	7	7	7	7
Vermont <sup>6</sup>	3.6	3.6	7.2	8.5
If single status <sup>4</sup>	3.6	7.2	7.2	8.5
Virginia	5.75	5.75	5.75	5.75
Washington	0	0	0	0
West Virginia	4	4.5	6	6.5
Wisconsin	6.5	6.5	6.5	6.5
Wyoming	0	0	0	0

<sup>1</sup> Earned income amounts that fall between the income brackets shown in this table (e.g., \$24,999.45, \$49,999.75) should be rounded to the nearest dollar to determine the marginal tax rate to be used in calculating the RIT allowance.

<sup>2</sup> If the earned income amount is less than the lowest income bracket shown in this table, the employing agency shall establish an appropriate marginal tax rate as provided in §302-17.8(e)(2)(ii).

<sup>3</sup> This is an estimate. For earnings over \$100,000, please consult actual tax tables.

<sup>4</sup> This rate applies only to those individuals certifying that they will file under a single status within the States where they will pay income taxes. All other taxpayers, regardless of filing status, will use the other rate shown.

<sup>5</sup> The income tax rate for Rhode Island is 25 percent of Federal income tax liability for all employees. Rates shown as a percent of Federal income tax liability must be converted to a percent of income as provided in §302-17.8(e)(2)(iii).

<sup>6</sup> The income tax rate for Vermont is 24 percent of Federal income tax liability for all employees. Rates shown as a percent of Federal income tax liability must be converted to a percent of income as provided in §302-17.8(e)(2)(iii).

[FTR Amdt. 2004-01, 69 FR 12079, Mar. 15, 2004]

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

FEDERAL MARGINAL TAX RATES BY EARNED INCOME LEVEL AND FILING STATUS—TAX YEAR 2004

The following table is to be used to determine the Federal marginal tax rate for Year 2 for computation of the RIT allowance as prescribed in §302-17.8(e)(1). This table is to be used for employees whose Year 1 occurred during calendar years 1994, 1995, 1996, 1997, 1998, 1999, 2000, 2001, 2002, or 2003.

Marginal tax rate	Single taxpayer		Heads of household		Married filing jointly/ qualifying widows & widowers		Married filing separately	
	Over	But not over	Over	But not over	Over	But not over	Over	But not over
10	\$8,486	\$15,852	\$15,539	\$25,991	\$22,763	\$36,688	\$10,614	\$17,891
15	15,852	39,093	25,991	56,668	36,688	82,625	17,891	41,386
25	39,093	84,081	56,668	123,629	82,625	147,439	41,386	74,492
28	84,081	166,123	123,629	193,801	147,439	212,158	74,492	108,134

Marginal tax rate	Single taxpayer		Heads of household		Married filing jointly/ qualifying widows & widowers		Married filing sepa- rately	
	Over	But not over	Over	But not over	Over	But not over	Over	But not over
33 .....	166,123	341,553	193,801	354,536	212,158	352,775	108,134	179,237
35 .....	341,553	.....	354,536	.....	352,775	.....	179,237	.....

[FTR Amdt. 2004-01, 69 FR 12079, Mar. 15, 2004]

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

PUERTO RICO MARGINAL TAX RATES BY EARNED INCOME LEVEL—TAX YEAR 2003

The following table is to be used to determine the Puerto Rico marginal tax rate for computation of the RIT allowance as prescribed in § 302-17.8(e)(4)(i).

Marginal tax rate	Single filing status		Any other filing status	
	Over	But not over	Over	But not over
10 .....	.....	.....	.....	\$25,000
15 .....	.....	\$25,000	.....	.....
28 .....	\$25,000	50,000	\$25,000	50,000
33 .....	50,000	.....	\$50,000	.....

[FTR Amdt. 2003-01, 68 FR 7942, Feb. 19, 2003, as amended by FTR Amdt. 2004-01, 69 FR 12081, Mar. 15, 2004]