

**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.

**Pt. 302-17, App. A**

**41 CFR Ch. 302 (7-1-06 Edition)**

(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 2005**

[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 in which their Year 1 occurred during calendar year 2005.]

Marginal tax rate Percent	Single taxpayer		Head 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 .....	\$8,712	\$16,201	\$15,989	\$26,630	\$23,519	\$37,568	\$10,897	\$18,242
15 .....	16,201	39,898	26,630	58,079	37,568	84,110	18,242	42,410
25 .....	39,898	85,748	58,079	125,252	84,110	150,301	42,410	76,165
28 .....	85,748	169,230	125,252	195,589	150,301	216,710	76,165	109,970
33 .....	169,230	348,318	195,589	360,009	216,710	360,571	109,970	182,419
35 .....	348,318	.....	360,009	.....	360,571	.....	182,419	.....

[FTR Amdt. 2006-01, 71 FR 9263, Feb. 23, 2006]

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

**STATE MARGINAL TAX RATES BY EARNED INCOME LEVEL—TAX YEAR 2005**

[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 as a guide for employees who received covered taxable reimbursements during calendar year 2005. The rates shown below are for married filing jointly and if the state has a specific single rate, it is shown. For more specific information or if an employee is in a different filing status, please see the 2006 State Tax Handbook, pp. 258-274, CCH Inc., <http://tax.cchgroup.com/Books/default>.]

Marginal tax rates (stated in percents) for the earned income amounts specified in each column. <sup>1,2,3</sup>				
State (or District)	\$20,000-24,999	\$25,000-49,999	\$50,000-74,999	\$75,000 & over <sup>4</sup>
Alabama .....	5.00	5.00	5.00	5.00
Alaska .....	0.00	0.00	0.00	0.00
Arizona .....	3.20	3.20	3.74	3.74
If single status, married filing separately <sup>5</sup> .....	3.20	3.74	4.72	4.72
Arkansas .....	6.00	7.00	7.00	7.00
California .....	2.00	6.00	8.00	9.30
If single status, married filing separately <sup>5</sup> .....	6.00	9.30	9.30	9.30
Colorado .....	4.63	4.63	4.63	4.63
Connecticut .....	5.00	5.00	5.00	5.00
Delaware .....	5.20	5.55	5.95	5.95
District of Columbia .....	7.50	9.00	9.00	9.00
Florida .....	0.00	0.00	0.00	0.00
Georgia .....	6.00	6.00	6.00	6.00
Hawaii .....	6.80	7.60	7.90	8.25
If single status, married filing separately <sup>5</sup> .....	7.60	7.90	8.25	8.25
Idaho .....	7.40	7.80	7.80	7.80
If single status, married filing separately <sup>5</sup> .....	7.80	7.80	7.80	7.80
Illinois .....	3.00	3.00	3.00	3.00
Indiana .....	3.40	3.40	3.40	3.40
Iowa .....	6.48	7.92	8.98	8.98
Kansas .....	3.50	6.25	6.45	6.45
If single status, married filing separately <sup>5</sup> .....	6.25	6.45	6.45	6.45
Kentucky .....	5.80	5.80	5.80	6.00
Louisiana .....	2.00	4.00	6.00	6.00

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STATE MARGINAL TAX RATES BY EARNED INCOME LEVEL—TAX YEAR 2005—Continued

[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 as a guide for employees who received covered taxable reimbursements during calendar year 2005. The rates shown below are for married filing jointly and if the state has a specific single rate, it is shown. For more specific information or if an employee is in a different filing status, please see the 2006 State Tax Handbook, pp. 258-274, CCH Inc., <http://tax.cchgroup.com/Books/default>.]

Marginal tax rates (stated in percents) for the earned income amounts specified in each column. <sup>1,2,3</sup>				
State (or District)	\$20,000-24,999	\$25,000-49,999	\$50,000-74,999	\$75,000 & over <sup>4</sup>
If single status, married filing separately <sup>5</sup> .....				
Maine .....	4.00	6.00	6.00	6.00
If single status, married filing separately <sup>5</sup> .....	7.00	8.50	8.50	8.50
Maryland .....	8.50	8.50	8.50	8.50
Massachusetts .....	4.75	4.75	4.75	4.75
Michigan .....	5.30	5.30	5.30	5.30
Minnesota .....	3.90	3.90	3.90	3.90
If single status, married filing separately <sup>5</sup> .....	5.35	7.05	7.05	7.05
Mississippi .....	7.05	7.05	7.85	7.85
Missouri .....	5.00	5.00	5.00	5.00
Montana .....	6.00	6.00	6.00	6.00
Nebraska .....	6.90	6.90	6.90	6.90
If single status, married filing separately <sup>5</sup> .....	3.57	6.84	6.84	6.84
Nevada .....	5.12	6.84	6.84	6.84
New Hampshire .....	0.00	0.00	0.00	0.00
New Jersey .....	0.00	0.00	0.00	0.00
If single status, married filing separately <sup>5</sup> .....	1.75	1.75	3.50	5.525
New Mexico .....	1.75	5.525	5.525	6.370
New York .....	6.00	6.00	6.00	6.00
If single status, married filing separately <sup>5</sup> .....	5.25	6.85	6.85	6.85
North Carolina .....	6.85	6.85	6.85	6.85
If single status, married filing separately <sup>5</sup> .....	7.00	7.00	7.00	7.00
North Dakota .....	7.00	7.00	7.75	7.75
If single status, married filing separately <sup>5</sup> .....	2.10	2.10	3.92	3.92
Ohio .....	2.10	3.92	4.34	4.34
Oklahoma <sup>6</sup> .....	4.27	4.983	4.983	5.693
Oregon .....	6.65	6.65	6.65	6.65
Pennsylvania .....	9.00	9.00	9.00	9.00
Rhode Island <sup>7</sup> .....	3.07	3.07	3.07	3.07
South Carolina .....	25.00	25.00	25.00	25.00
South Dakota .....	7.00	7.00	7.00	7.00
Tennessee .....	0.00	0.00	0.00	0.00
Texas .....	0.00	0.00	0.00	0.00
Utah .....	0.00	0.00	0.00	0.00
Vermont .....	7.00	7.00	7.00	7.00
If single status, married filing separately <sup>5</sup> .....	3.60	3.60	7.20	7.20
Virginia .....	3.60	7.20	8.50	8.50
Washington .....	5.75	5.75	5.75	5.75
West Virginia .....	0.00	0.00	0.00	0.00
Wisconsin .....	4.00	6.00	6.50	6.50
Wyoming .....	6.50	6.50	6.50	6.50
	0.00	0.00	0.00	0.00

(The above table/column headings established by IRS.)

<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> If two or more marginal tax rates of a State overlap an income bracket shown in this table, then the highest of the two or more State marginal tax rates is shown for that entire income bracket. For more specific information, see the 2006 State Tax Handbook, pp. 258-274, CCH, Inc., <http://tax.cchgroup.com/Books/default>.

<sup>4</sup> This is an estimate. For earnings over \$100,000, and for filing statuses other than those above, please consult actual tax tables. See 2006 State Tax Handbook, pp. 258-274, CCH, Inc., <http://tax.cchgroup.com/Books/default>.

<sup>5</sup> This rate applies only to those individuals certifying that they will file under a single or married filing separately status within the states where they will pay income taxes.

<sup>6</sup> The 2005 personal income tax rates shown here for Oklahoma follow Method 1 only. For information on Method 2, see the 2006 State Tax Handbook, pp. 258-274, CCH, Inc., <http://tax.cchgroup.com/Books/default>.

<sup>7</sup> The income tax rate for Rhode Island is 25 percent of Federal income tax rates, including capital gains rates and any another other special rates for other types of income. 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. 2006-01, 71 FR 9263, Feb. 23, 2006]

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

ESTIMATED RANGES OF WAGE AND SALARY INCOME CORRESPONDING TO FEDERAL STATUTORY MARGINAL INCOME TAX RATES BY FILING STATUS IN 2006

[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 1996, 1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004 or 2005.]

Marginal tax rate Percent	Single taxpayer		Head 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 .....	\$8,739	\$16,560	\$16,538	\$27,374	\$24,163	\$38,534	\$12,036	\$19,194
15 .....	16,560	41,041	27,374	59,526	38,534	86,182	19,194	43,330
25 .....	41,041	88,541	59,526	128,605	86,182	154,786	43,330	79,441
28 .....	88,541	175,222	128,605	203,511	154,786	224,818	79,441	114,716
33 .....	175,222	360,212	203,511	375,305	224,818	374,173	114,716	188,184
35 .....	360,212	.....	375,305	.....	374,173	.....	188,184	.....

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

PUERTO RICO MARGINAL TAX RATES BY EARNED INCOME LEVEL—TAX YEAR 2005

[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 Percent	For married person living with spouse and filing jointly, married person not living with spouse, single person, or head of household		For married person living with spouse and filing separately	
	Over	But not over	Over	But not over
	10 .....	\$2,000	\$17,000	\$1,000
15 .....	17,000	30,000	8,500	15,000
28 .....	30,000	50,000	15,000	25,000
33 .....	50,000	.....	25,000	.....

Source: Individual Income Tax Return 2005—Long Form; Commonwealth of Puerto Rico, Department of the Treasury, P.O. Box 9022501, San Juan, PR 00902-2501; [http://www.hacienda.gobierno.pr/planillas\\_individuo.asp](http://www.hacienda.gobierno.pr/planillas_individuo.asp).

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