

§ 302-3.503

Reimbursement Allowance allow for the reimbursement of Federal, state, and local income taxes incurred as a result of taxable extended temporary duty assignments (see §§301-11.601–301-11.605 of this Subtitle). An employee who is authorized and performs a TCS also will be subject to income taxation of some, but not all, of his/her TCS expenses. You will pay an offsetting Relocation Income Tax (RIT) allowance on an employee's TCS expense reimbursements; and

(c) *Employee concerns.* The long-term assignment of an employee away from his/her official station and immediate family may negatively affect the employee's morale and job performance. Such negative effects may be alleviated by authorizing a TCS so the employee can transport his/her immediate family and/or household goods at Government expense to the location where he/she will perform the long-term assignment. You should consider the effects of a long-term temporary duty travel assignment on an employee when deciding whether to authorize a TCS.

[FTR Amdt. 98, 66 FR 58196, Nov. 20, 2001, as amended by FTR Amdt. 2014-01, 79 FR 49645, Aug. 21, 2014]

SERVICE AGREEMENTS

§ 302-3.503 Must we require employees to sign a service agreement?

Yes, you must require employees to sign a service agreement if the employee is receiving reimbursement for relocation travel expenses, except as provided in §302-2.17 of this chapter and §§302-3.300 and 302-3.410.

[86 FR 73684, Dec. 28, 2021]

§ 302-3.504 What information should we include in a service agreement?

The service agreement should include, but not be limited to the following:

- (a) The employee's name;
- (b) The employee's effective date of transfer or appointment;
- (c) The employee's actual place of residence at the time of appointment;
- (d) The name of all dependents that are authorized to travel under the TA;
- (e) Detailed information regarding the employee's obligation to repay

41 CFR Ch. 302 (7-1-23 Edition)

funds spent on his/her relocation as a debt due the Government if the service agreement is violated;

(f) The employee's agreed period of time (see §302-3.505) to remain in service; and

(g) The employee's signature accepting the terms of the agreement.

§ 302-3.505 How long must we require an employee to agree to the terms of a service agreement?

You must require an employee to agree to the terms of a service agreement:

(a) Within CONUS for a period of service of not less than 12 months following the effective date of appointment or transfer;

(b) OCONUS for an agreed upon period of service of not more than 36 months or less than 12 months following the effective date of appointment or transfer;

(c) Department of Defense Overseas Dependent School System teachers for a period of not less than one school year as determined under chapter 25 of Title 20, United States Code;

(d) For renewal agreement travel, a period of not less than 12 months from the date of return to the same or different overseas official station; and

(e) For assignment under the Government Employees Training Act (GETA), not less than three times the length of the training period as prescribed by the head of the agency.

[FTR Amdt. 98, 66 FR 58196, Nov. 20, 2001, as amended at 86 FR 73684, Dec. 28, 2021]

§ 302-3.506 May we pay relocation expenses if the employee violates his/her service agreement?

If an employee does not fulfill the terms of the service agreement, the employee is indebted to the Government for all relocation expenses that have been reimbursed to the employee or that have been paid directly by the Government. However, if the reasons for not fulfilling the terms of the service agreement are beyond the employee's control and acceptable to the agency, you may release the employee from the service agreement and waive any indebtedness.