

## Temp. Duty (TDY) Travel Allowances

## § 301-11.601

obtained nearby; and costs to commute to/from the nearby location consume most or all of the savings achieved from occupying less expensive lodging;

(c) The TDY location is subject to a Presidentially-Declared Disaster and your agency has issued a blanket actual expense authorization for the location (see § 301-70.201);

(d) Because of mission requirements; or

(e) Any other reason approved within your agency.

[FTR Amdt. 70, 63 FR 15961, Apr. 1, 1998, as amended by FTR Amdt. 2011-03, 76 FR 55275, Sept. 7, 2011]

### § 301-11.301 Who in my agency can authorize/approve my request for actual expense?

Any official designated by the head of your agency (see § 301-70.201 for when an agency can issue a blanket actual expense authorization).

[FTR Amdt. 70, 63 FR 15961, Apr. 1, 1998, as amended by FTR Amdt. 2011-03, 76 FR 55275, Sept. 7, 2011]

### § 301-11.302 When should I request authorization for reimbursement under actual expense?

Request for authorization for reimbursement under actual expense should be made in advance of travel. However, subject to your agency's policy, after the fact approvals may be granted when supported by an explanation acceptable to your agency. Also, your agency can issue a blanket actual expense authorization under § 301-70.201.

[FTR Amdt. 70, 63 FR 15961, Apr. 1, 1998, as amended by FTR Amdt. 2011-03, 76 FR 55275, Sept. 7, 2011]

### § 301-11.303 What is the maximum amount that I may be reimbursed under actual expense?

The maximum amount that you may be reimbursed under actual expense is limited to 300 percent (rounded to the next higher dollar) of the applicable maximum per diem rate. However, subject to your agency's policy, a lesser amount may be authorized.

### § 301-11.304 What if my expenses are less than the authorized amount?

When authorized actual expense and your expenses are less than the locality

per diem rate or the authorized amount, reimbursement is limited to the expenses incurred.

### § 301-11.305 What if my actual expenses exceed the 300 percent ceiling?

Your reimbursement is limited to the 300 percent ceiling. There is no authority to exceed this ceiling.

### § 301-11.306 What expenses am I required to itemize under actual expense?

You must itemize all expenses, including meals, (each meal must be itemized separately) for which you will be reimbursed under actual expense. However, expenses that do not accrue daily (e.g., laundry, dry cleaning, etc.) may be averaged over the number of days your agency authorizes/approves actual expenses. Receipts are required for lodging, regardless of amount and any individual meal when the cost exceeds \$75. Your agency may require receipts for other allowable per diem expenses, but it must inform you of this requirement in advance of travel. When your agency limits M&IE reimbursement to either the prescribed maximum M&IE rate for the locality concerned or a reduced M&IE rate, it may or may not require M&IE itemization at its discretion.

[FTR Amdt. 70, 63 FR 15961, Apr. 1, 1998; 63 FR 35537, June 30, 1998]

## Subpart E [Reserved]

## Subpart F—Income Tax Reimbursement Allowance (ITRA), Tax Years 1995 and Thereafter

SOURCE: 64 FR 32815, June 18, 1999, unless otherwise noted.

### GENERAL

### § 301-11.601 What is a taxable extended TDY assignment?

A taxable extended TDY assignment is a TDY assignment that continues for

so long that, under the IRC the employee is no longer considered temporarily away from home during any period of employment if such period exceeds 1 year. You are no longer temporarily away from home as of the date that you and/or your agency recognize that your assignment will exceed one year. That is, as soon as you recognize that your assignment will exceed one year, you must notify your agency of that fact, and they must change your status immediately. Similarly, as soon as your agency recognizes that your assignment will exceed one year, your agency must notify you of that fact and change your status. The effective date of this status change is the date on which it was recognized that you are no longer temporarily away from home as defined in the IRC.

(a) If you believe that your temporary duty assignment may exceed one year, you should carefully study IRS Publication 463, "Travel, Entertainment, Gift, and Car Expenses," to determine whether you are or will be considered "temporarily away from home" under this provision. If you are not or will not be considered temporarily away from home under this provision, then you are on taxable extended TDY.

(b) The IRC makes an exception for certain Federal personnel involved in investigation or prosecution of a Federal crime during any period for which such employee is certified by the Attorney General (or the designee thereof) as traveling on behalf of the United States in temporary duty status to investigate or prosecute, or provide support services for the investigation or prosecution of, a Federal crime.

[FTR Amdt. 2014-01, 79 FR 49643, Aug. 21, 2014]

**§ 301-11.602 What factors should my agency consider in determining whether to authorize extended TDY?**

Your agency should consider the factors discussed in § 302-3.502 of this subtitle in determining whether to authorize extended TDY.

[FTR Amdt. 2014-01, 79 FR 49643, Aug. 21, 2014]

**§ 301-11.603 What are the tax consequences of extended TDY?**

(a) If you are on a taxable extended TDY assignment, then all allowances and reimbursements for travel expenses, plus all travel expenses that the Government pays directly on your behalf in connection with your TDY assignment, are taxable income to you. This includes all allowances, reimbursements, and direct payments to vendors from the day that you or your agency recognized that your extended TDY assignment is expected to exceed one year, as explained in § 301-11.601.

(b) Your agency will reimburse you for substantially all of the income taxes that you incur as a result of your taxable extended TDY assignment. This reimbursement consists of two parts:

(1) The Withholding Tax Allowance (WTA). See Part 302-17, Subpart B of this Subtitle for information on the WTA; and

(2) The "Extended TDY Tax Reimbursement Allowance" (ETTRA) (in previous editions of the FTR this was known as the "Income Tax Reimbursement Allowance").

(c) The WTA and ETTRA for taxable extended TDY assignments cover only the TDY benefits described in FTR Chapter 301, Subchapter B. On an extended TDY assignment, you are not eligible for the other benefits that you would have received if your agency had permanently relocated you.

[FTR Amdt. 2014-01, 79 FR 49643, Aug. 21, 2014]

**§ 301-11.604 What are the procedures for calculation and reimbursement of my WTA and ETTRA for taxable extended TDY?+**

(a) If your agency knows from the beginning of your TDY assignment that your assignment qualifies as taxable extended TDY, then your agency will withhold an amount as a WTA and pay that as withholding tax to the IRS until your extended TDY assignment ends. The WTA itself is taxable income to you, so your agency increases, or "grosses-up," the amount of the WTA, using a formula to reimburse you for the additional taxes on the WTA.

(b) If your agency realizes during a TDY assignment that you will incur