

## Relocation Allowances

residence at your previous official station as a rental property. Services provided by the company may include, but are not limited to, obtaining a tenant, negotiating a lease, inspecting the property regularly, managing repairs and maintenance, enforcing lease terms, collecting rent, paying the mortgage and other carrying expenses from rental proceeds and/or fund of the employee, and accounting for the transactions and providing periodic reports to the employee.

[FTR Amdt. 98, 66 FR 58196, Nov. 20, 2001, as amended by FTR Amdt. 2011-06, 76 FR 71889, Nov. 21, 2011]

### **§ 302-3.419 For what property may my agency pay property management services?**

Your agency may only pay for the property from which you commuted to/from work on a daily basis at your previous official station.

[FTR Amdt. 98, 66 FR 58196, Nov. 20, 2001, as amended by FTR Amdt. 2011-06, 76 FR 71889, Nov. 21, 2011]

### **§ 302-3.420 How long may my agency pay for property management services?**

Your agency may pay for property management services for the duration of your TCS.

[FTR Amdt. 98, 66 FR 58196, Nov. 20, 2001, as amended by FTR Amdt. 2011-06, 76 FR 71889, Nov. 21, 2011]

### **§ 302-3.421 What are the income tax consequences if my agency pays for property management services?**

When your agency pays for property management services:

(a) You will be taxed on the amount of property management expenses your agency pays, whether it reimburses you directly for your expenses or pays a relocation services company to manage your residence; and

(b) Your agency will pay you a relocation income tax allowance under part 302-17 of this chapter for substantially all of the additional Federal, State and local income taxes you incur on the expenses your agency pays.

NOTE TO § 302-3.421: You may wish to consult with a tax advisor to determine whether you will incur any additional tax liability, unrelated to your agency's payment of your

property management expenses, as a result of maintaining your residence as a rental property.

## **EXPENSES PAID UPON COMPLETION OF ASSIGNMENT OR UPON SEPARATION FROM GOVERNMENT SERVICE**

### **§ 302-3.422 What expenses will my agency pay when I complete my TCS?**

Your agency will pay for the following expenses in connection with your return to your previous official station:

(a) Travel, including per diem, for you and your immediate family under part 302-4 of this chapter;

(b) Transportation and temporary or extended storage of your household goods under part 302-7 and 302-8 of this chapter;

(c) Transportation of a mobile home instead of transportation of our household goods under part 302-10 of this chapter;

(d) A miscellaneous expenses allowance under part 302-16 of this chapter;

(e) Transportation of a privately owned vehicle(s) under part of this chapter; and

(f) A relocation income tax allowance under part 302-17 of this chapter for additional income taxes you incur on payments your agency makes under the authority of this part for your relocation expenses.

NOTE TO § 302-3.422: Your agency may pay temporary quarters subsistence expenses under part 302-6 of this chapter.

[FTR Amdt. 98, 66 FR 58196, Nov. 20, 2001, as amended by FTR Amdt. 2011-06, 76 FR 71889, Nov. 21, 2011]

### **§ 302-3.423 If I separate from Government service upon completion of my TCS, what relocation expenses will my agency pay upon my separation?**

If you separate from Government service upon completion of your TCS, your agency will upon your separation, pay the same relocation expenses it would have paid had you not separated from Government service upon completion of your TCS.