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single location is subject to income taxation of the employee's travel expense reimbursements. The Withholding Tax Allowance and the Extended TDY Tax 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 their 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 the employee's 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 their immediate family and/or household goods at Government expense to the location where the employee 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; FTR Case 2022-05, 89 FR 12254, Feb. 16, 2024]

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;

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(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 funds spent on the employee's 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.

[FTR Amdt. 98, 66 FR 58196, Nov. 20, 2001, as amended by FTR Case 2022-05, 89 FR 12254, Feb. 16, 2024]

§ 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 their 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

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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.

[FTR Amdt. 98, 66 FR 58196, Nov. 20, 2001, as amended by FTR Case 2022-05, 89 FR 12254, Feb. 16, 2024]

NEW APPOINTEES

§ 302-3.507 Once we authorize relocation expenses for new appointees or student trainees what expenses must we pay?

Once you authorize relocation expenses for new appointees or student trainees, you must pay expenses in accordance with § 302-3.2.

§ 302-3.508 What relocation expenses are not authorized for new appointees or student trainees?

You must not pay any expenses to new appointees or student trainees for a relocation that are not listed under § 302-3.2.

OVERSEAS ASSIGNMENT AND RETURN

§ 302-3.509 What policies must we follow when appointing an employee to an overseas assignment?

When appointing an employee to an overseas assignment, you must:

(a) Establish the employee's actual place of residence at the time of appointment and state it in the service agreement;

(b) Use guidance in 8 U.S.C. 1101(33) which states that "The term *residence* means the place of general abode; the place of general abode of a person means his principal, actual dwelling place in fact, without regard to intent", for establishing places of residence; and

(c) Require the employee to sign the service agreement prior to the employee's relocation.

[FTR Amdt. 98, 66 FR 58196, Nov. 20, 2001, as amended by FTR Case 2022-05, 89 FR 12254, Feb. 16, 2024]

§ 302-3.510 When must we pay return travel for immediate family members?

You must pay transportation expenses for one-way return travel of immediate family members when the employee has successfully completed the employee's service agreement period OCONUS.

[FTR Amdt. 98, 66 FR 58196, Nov. 20, 2001, as amended by FTR Case 2022-05, 89 FR 12254, Feb. 16, 2024]

§ 302-3.511 What must we consider when determining return travel for immediate family member(s) for compassionate reasons prior to completion of the service agreement?

You must determine that the public interest requires the return of the immediate family for compelling personal reasons of a humanitarian or compassionate nature, which may involve:

(a) The immediate family member(s)' physical or mental health;

(b) The death of a member of the immediate family;

(c) Obligations imposed by authority or circumstances over which the individual has no control;

(d) The divorce or annulment of the employee's marriage; or

(e) A dependent that traveled to post of duty on the employee's authorized TA and has now reached their 21st birthdate.

[FTR Amdt. 98, 66 FR 58196, Nov. 20, 2001, as amended by FTR Case 2022-05, 89 FR 12254, Feb. 16, 2024]

§ 302-3.512 How many times are we required to pay for an employee's return travel?

You must pay for return travel and transportation of an employee only once at the end of each agreed period of service.

OVERSEAS TOUR RENEWAL TRAVEL

§ 302-3.513 May we allow a travel advance for tour renewal agreement travel?

No, you cannot allow a travel advance for tour renewal agreement travel.