

Temp. Duty Travel Allowances

§ 301-71.302

§ 301-71.209 **Must we pay a late payment fee if we fail to reimburse the employee within 30 calendar days after receipt of a proper travel claim?**

Yes, a late payment fee, in addition to the amount due the employee, must be paid for any proper travel claim not reimbursed within 30 calendar days of submission to the approving official.

[FTR Amdt. 92, 65 FR 3057, Jan. 19, 2000]

§ 301-71.210 **How do we calculate late payment fees?**

Late payment fees are calculated either by:

(a) Using the prevailing Prompt Payment Act Interest Rate beginning on the 31st day after submission of a proper travel claim and ending on the date on which payment is made; or

(b) A flat fee, of not less than the prompt payment amount, based on an agencywide average of travel claim payments; and

(c) In addition to the fee required by paragraphs (a) and (b) of this section, you must also pay an amount equivalent to any late payment charge that the card contractor would have been able to charge had the employee not paid the bill. Payment of this additional fee will be based upon the effective date that a late payment charge would be allowed under the agreement between the employee and the card contractor.

[FTR Amdt. 92, 65 FR 21366, Apr. 21, 2000]

§ 301-71.211 **Is there a minimum amount the late payment fee must exceed before we will pay it?**

Yes, a late payment fee will only be paid when the computed late payment fee is \$1.00 or greater.

[FTR Amdt. 90, 65 FR 3058, Jan. 19, 2000]

§ 301-71.212 **Should we report late payment fees as wages on a Form W-2?**

No, the Internal Revenue Service (IRS) has determined that the late payment fee is in the nature of interest (compensation for the use of money).

[FTR Amdt. 90, 65 FR 3058, Jan. 19, 2000]

§ 301-71.213 **Is the additional fee, which is the equivalent to any late payment charge that the card contractor would have been able to charge had the employee not paid the bill, considered income?**

Yes, you must report this late payment fee as additional wages on Form W-2.

[FTR Amdt. 90, 65 FR 3058, Jan. 19, 2000]

§ 301-71.214 **Does mandatory use of the Government contractor-issued travel charge card change the employee's obligation to pay his/her travel card bill by the due date?**

No, mandatory use of the Government contractor-issued travel charge card does not relieve the employee of his/her obligation to honor his/her cardholder payment agreement.

[FTR Amdt. 90, 65 FR 3058, Jan. 19, 2000]

Subpart D—Accounting for Travel Advances

§ 301-71.300 **What is the policy governing the use of travel advances?**

You should minimize the use of cash travel advances. However, you should not require an employee to pay travel expenses using personal funds unless the employee has elected not to use alternative resources provided by the Government, such as a Government contractor-issued charge card.

§ 301-71.301 **For how long may we issue a travel advance?**

You may issue a travel advance for a reasonable period not to exceed 45 days.

§ 301-71.302 **What data must we capture in our travel advance accounting system?**

You must capture the following data:

(a) The name and social security number of each employee who has an advance;

(b) The amount of the advance;

(c) The date of issuance; and

(d) The date of reconciliation for unused portions of travel advances.

[63 FR 15974, Apr. 1, 1998; 63 FR 35538, June 30, 1998]