

## Relocation Allowances

## § 302-3.422

### § 302-3.415 How long may my agency pay for extended storage of household goods?

Your agency may pay for extended storage of household goods for the duration of your TCS.

### § 302-3.416 Is there any limitation on the combined weight of household goods I may transport and store at Government expense?

Yes, the maximum combined weight is 18,000 pounds net weight. If you transport and/or store household goods in excess of the maximum weight allowance, you will be responsible for any excess cost.

### § 302-3.417 Will I have to pay any income tax if my agency pays for extended storage of my household goods?

You will be subject to income taxes on the amount of extended storage expenses your agency pays. However, 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.

### § 302-3.418 Will my agency pay for property management services when I am authorized a TCS?

Yes, your agency will reimburse you directly for expenses you incur or make payments on your behalf to a relocation services company, if you so choose. The term "property management services" refers to a program provided by a private company for a fee, which assists you in managing your 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.

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

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

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

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

### § 302-3.421 What are the income tax consequences when 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 storage of your household good under part 302-7 of this chapter;