

ORNG TPP 572

Human Resources

**Technician
Permanent
Change of
Station (PCS)
Pamphlet**

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Human Resources

Oregon National Guard Technician Permanent Change Of Station Handbook

By Order of the Governor:

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History. This guide establishes Permanent Change of Station Guidance, and incorporates procedural information from

IRS Publications 521, and 523, as well as Federal Travel Regulation 41 CFR (Chapters 301, 302).

Summary. This publication provides guidance for Permanent Change of Station moves for technician members of the Oregon National Guard.

Applicability. This guide applies to the Oregon National Guard Federal Technicians.

Proponent and exception authority. The proponent for this guide is the Director of Human Resources. The HR has the authority to approve exceptions to this guide that are

consistent with controlling law and regulation. The HRO may delegate this approval authority in writing, to a section chief within the proponent.

Suggested Improvements.

Users are invited to send comments and suggested improvements to: Oregon Military Department, ATTN: JFHQ-OR J1-HR, PO Box 14350, 1776 Militia Way, Salem, OR 97309-5047.

Distribution. This guide is available in print media, through the Human Resources Office at (503) 584-3975.

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Section 1 Introduction

1-1. Purpose

If you are a Federal Technician of the Oregon National Guard, a transfer from another agency or a newly hired technician entering the Federal government service for the first time and you are authorized a Permanent Change of Station (PCS) move, this guide is for you. We, at the Oregon National Guard Human Resources Office (HRO) have developed this guide in an effort to answer questions you may have and to help make your move a pleasant experience. Every move is a little different and before you even receive your PCS orders, you will be working with a PCS expert in the HRO who will guide you through the unique aspects of your move.

a. First, a disclaimer is necessary. This guide does not grant any rights to you nor does it place any obligation on the United States Government or the Oregon National Guard. These rights and obligations are found only in the appropriate Federal statutes and regulations. DOD regulatory guidance may be found in the Joint Travel Regulations, Volume 2, which governs travel and transportation allowance for Department of Defense civilian employees. Statutes and regulations are subject to change without notice so the HRO regularly updates this guide, but cannot guarantee its accuracy except on the day it is published.

b. Please read those portions of the guide that apply to your PCS and note any questions you might have. It is much better to clear up uncertainties by asking questions early in the PCS process than to risk the chance of not receiving reimbursement because of misinterpretations or lack of awareness of regulations.

1-2. References

a. In addition to the publications listed in Appendix A, References, if you have any questions about your authorized PCS or information contained in this guide, contact the Oregon National Guard Director of Human Resources, PCS representative at (503) 584-3975, DSN: 355-3975 or email HRO.WD@orport.ang.af.mil .

b. To address the Federal income tax consequences of your move, we suggest you obtain the Internal Revenue Service's (IRS) Publication 521, "Tax Information on Moving Expenses," and Publication 523, "Tax Information on Selling Your Home." These are free from any local IRS Office.

1-3. Explanation of abbreviations and terms

Abbreviations and special terms used in the regulation are referenced in the glossary

1-4. Responsibilities

a. It is the responsibility of management to accurately assess the needs and requirements of the agency and appropriately recommend authorization for technician a PCS moves.

b. When the move has been authorized, the appropriate Army or Air Technician HRO PCS move specialist will contact you and provide you with all the guidance and necessary guides and forms to have a successful move

c. It is the responsibility of technicians that have been authorized a PCS move to become familiar with the process, procedures and paperwork to have a successful PCS move.

Section 2 PCS Allowances

2-1. Eligibility and Allowances

a. Your HR representative will contact you when you have been authorized to make a PCS move and he or she will send you a DD Form 1618, Department of Defense (DOD) Transportation Agreement Transfer of Civilian Employees to and within Continental United States (CONUS), agreement to sign, an AGO-OR Form 572, Permanent Change of Station (PCS) Travel Questionnaire for Current ORNG Technicians, an AGO-OR Form 572-2 AGO-OR Form 572-2 Technician PCS Planning and Withholding Tax Allowance (WTA) Waiver, and an AGO-OR Form 572-3 Relocation Tax Allowance RITA Claim Form to complete. To be eligible for reimbursement you must sign the transportation agreement and agree to remain employed by the Federal government for 12 months following the date of the transfer unless separated for reasons beyond your control. Your PCS orders will be published by the HRO and will reflect your eligibility for the move and identifies authorized benefits and allowances.

b. As a current or prospective Federal Technician, and unless otherwise noted in position vacancy announcement, and if it is in the best interest of the government, you will be granted certain moving expense allowances. You may also be authorized additional discretionary allowances that the Director of Human Resources can approve. These allowances are summarized in Table 2-1 and listed below.

a. For first time appointees:

(1) The following allowances will be authorized:

- Transportation for appointee and family
- Travel, including per diem, for appointee only
- Mileage if Privately Owned Conveyance (POC) is used
- Household goods transportation NTE 18,000 lbs and temporary storage
- Shipment of mobile home in lieu of transportation and temporary storage of household goods

(2) There are no discretionary allowances

(3) The following allowances are specifically excluded

- Residence sale and purchase transactions
- Temporary quarters and subsistence expenses
- House hunting
- Relocation services contracts
- Relocation income tax allowances
- Per diem for family
- Miscellaneous expense allowance
- Lease breaking
- Non-temporary storage of household goods

b. For current Technicians or Federal employees moving from other agencies

(1) The following allowances will be authorized:

- Transportation for employee and immediate family
- Per diem for employee and immediate family while in transit to new duty location
- Miscellaneous expense allowance
- Residence transaction (relocation services contracts are discretionary)

- Household goods transportation (18,000 lbs net) and temporary storage
 - Mobile home shipment in lieu of transportation and temp storage of household goods
 - Relocation income tax allowance
- (2) The following allowances are discretionary
- House hunting trip
 - Temporary quarters subsistence allowance
 - Relocation Services Contract

Table 2-1 Eligibility and Allowances Chart

ELIGIBILITY	Current ORNG Tech or other Federal Employee	And Family	First Appointment to Federal Service	And Family
Transportation to new duty location	Yes	Yes	Yes	Yes
Per Diem while in transit	Yes	Yes	Yes	No
**House hunting trip	Yes	Yes	No	No
**Temporary Quarters and Subsistence Expenses (TQSE)	Yes	Yes	No	No
Household Goods Storage	Yes	Yes	Yes	Yes
Household Goods Shipment	Yes	Yes	Yes	Yes
Mobile Home in Lieu of Household Goods Shipment	Yes	Yes	Yes	No
Miscellaneous Expense	Yes	Yes	No	No
Real Estate Transaction	Yes	Yes	No	No
**Relocation Services Contract	Yes	Yes	No	No
Relocation Income Tax Allowance (RITA)	Yes	Yes	No	No

** Discretionary allowances on the part of the Agency.

2-2. House Hunting

A house hunting trip may be authorized by the agency but only for one purpose, to seek a new residence. You and your spouse (not children) may be authorized one round trip at Government expense, between the old and new duty station, to seek permanent quarters. This trip must be accomplished prior to reporting at your new duty station. If you (the employee) report for duty

at the new duty station and did not take a house-hunting trip, then the trip is authorized for your spouse only, and only if he/she is still residing at the old residence.

a. The trip will be authorized only when the circumstances indicate that it is actually needed and to minimize or avoid the expense of you and your family to use temporary quarters at the new duty station. The trip is not authorized when the distance between the old and new duty station is less than 75 miles, or when you plan to occupy government quarters at the new duty station.

b. The trip will be authorized for a reasonable period of time considering distance between the old and new duty stations, and the housing situation at the new duty station. In no case will it exceed 10 calendar days, including travel time.

2-3. Transportation of Employee and Dependents

You will be reimbursed for transportation to your new duty location based on a travel voucher you submit after the travel is completed. When transportation of dependents from the old duty station to the new duty station is authorized, any point of origin and destination may be substituted; however, the cost to the Government will not exceed the cost of transportation by a usually traveled route between the old permanent duty station and the new permanent duty station.

a. Reimbursable transportation expenses include

- (1) Cost of purchased commercial transportation
- (2) Necessary and reasonable taxi fares to, from and between transportation terminals
- (3) Travel by privately owned conveyance

b. Mileage allowances are as indicated below. These mileage allowances are for the use of only one privately owned automobile.

- | | |
|--|---------------|
| (1) Employee only / or 1 occupant | \$0.15 / mile |
| (2) Employee and 1 member or 2 occupants | \$0.17 / mile |
| (3) Employee and 2 members or 3 occupants | \$0.19 / mile |
| (4) Employee and 3 or more members or
4 or more occupants | \$0.20 / mile |

(Except under special circumstances, use of one automobile is considered as advantageous to the government. However, if there are more members of the immediate family than can be reasonably transported with luggage in one vehicle, additional vehicle(s) may be authorized. If special accommodations are necessary because of the age or physical condition of some member(s) of the family that would require an additional vehicle for other members of the immediate family, reimbursement for use of the extra vehicle(s) may be authorized.)

c. A minimum of 350 miles driving distance per day is prescribed as being reasonable. An exception to the minimum may be designated by the agency due to such things as acts of God (hurricanes, tornadoes, fires, etc). All exceptions require approval by the HRO and must be documented on the voucher.

2-4. Per Diem

Per Diem is authorized for you and your dependents while en route between your old and new official stations as described below. Table 2-2 is the per diem allowance chart.

Table 2-2 Per Diem Allowance Chart

Persons(s) covered	Travel of more than 24 hours with lodging			Travel of more than 12 hours*, but less than 24 hours
	Lodging NTE	M&IE** NTE	Total	¾ of M&IE
Employee or unaccompanied spouse	\$55.00	\$31.00	\$86.00	\$23.75
Spouse and dependents 12 years of age and older	\$41.25	\$23.25	\$64.50	\$17.44
Dependents under 12 years of age	\$27.50	\$16.00	\$43.50	\$12.00

* Per Diem in route is not allowed if travel is less than 12 hours.

** M&IE – Meals and Incidental Expenses

The above rates are effective as of CY04, subject to change.

2-5. Transportation of Household Goods

You must contact the appropriate Traffic Arrangement Office (TAO) to establish the method that will be used to transport your household goods. Contact the HRO to determine which TAO to use. Movement of household goods will be by a Government Bill of Lading from an active military TAO if at all possible. Reimbursement for transportation charges is limited to the government established commuted rate applicable to the distance, weight and time of the shipment.

a. Maximum weight allowances for shipment of household goods are 18,000 pounds net for employees. Net weight does not include shipping boxes, crates or transport containers. The maximum net weight allowance includes professional books, papers, and personal equipment, and accompanied or unaccompanied baggage for which the Government pays a transportation charge.

b. Shipment may be from any point or points of origin to any point or points of destination; however, the cost to the Government will not exceed the cost of shipment, in one lot, by the most economical route from the last permanent duty station to the new permanent duty station. No reimbursement will be made for the transportation of property acquired en route.

c. Examples of prohibited items include anything alive, flammable, combustible, explosive, corrosive, and

- (1) Frozen food
- (2) Shrubbery
- (3) Firewood
- (4) Sand, cinderblocks and bricks
- (5) Fertilizer
- (6) Ammunition
- (7) Autos, trucks, motor vehicles
- (8) Replacement parts for autos
- (9) Boat (except kayaks and canoes, surf boards, and wind surf boards)
- (10) Airplanes / gliders (even disassembled)
- (11) Trailers

2-6. Transportation of Mobile Home

A mobile home is any type of house trailer or mobile dwelling constructed for use as a residence and designed to be moved over land, either by self-propulsion or towing. If you are eligible and entitled to transportation of household goods you may, instead of such transportation, choose an allowance for transportation of a mobile home for use as a residence. You may move your home by Government Bill of Lading, by commercial carrier, private means, or mixed means. The most common method of transportation is by Government Bill of Lading, which must be coordinated with the appropriate Traffic Arrangement Office.

a. If a Government Bill of Lading is used, the government will arrange for transportation of your mobile home by commercial or Government means between points authorized and pay all costs related to pickup, transportation, and delivery of the mobile home to destination ready for occupancy. The following charges are not reimbursable:

- (1) Carrier's charges for preparing mobile homes for movement
- (2) Carrier's charges for maintenance and repairs to the mobile home en route, including structural repairs, brake repairs, and replacement of tires
- (3) Insurance for valuation of mobile homes above the carrier's maximum responsibility

b. You will not receive any other allowances for the transportation involved. Allowable costs will include charges for actual transportation, ferry fares, bridge, road, and tunnel tolls, taxes, and municipal and or/state permits.

c. If moving your mobile home by commercial carrier, the reimbursement payments for commercial transportation are

- (1) Transportation charges, not to exceed ICC tariff
- (2) Ferry fares and bridge, road, tunnel tolls
- (3) Cost of permits
- (4) Carrier's charge for obtaining permits
- (5) Charges for a pilot flag car

d. The cost of preparing a mobile home for movement and resettling is considered transportation costs. These preparation costs include

- (1) Separating, preparing, and sealing each section for movement
- (2) Reassembling the two halves of a double-wide mobile home
- (3) Travel lift fees
- (4) Blocking and leveling and unblocking
- (5) Labor for removing and installing skirting

e. Other costs are payable under the miscellaneous expense allowance and subject to the maximums. They are not allowable transportation costs. These costs include

- (1) Maintenance and repairs
- (2) Storage
- (3) Insurance
- (4) Rental of axles, hitches and tires
- (5) Connecting and disconnecting utilities
- (6) Removal and installation of air conditioning
- (7) Dismantling of aluminum awning
- (8) Removal of TV antenna

f. If moving your mobile home by private means, the total amount of reimbursement is based on the standard highway mileage (11 cents per mile).

2-7. Temporary Storage of Household Goods

Temporary storage of household goods may be authorized in the travel orders for a period not to exceed 90 days. Such storage may be at the point of origin, destination, or within 30 miles of the destination. A request for an additional 90 days must be submitted in writing to the HRO and is approval is the discretion of the HR.

2-8. Temporary Quarters Subsistence Expense

Temporary quarters subsistence expense (TQSE) may be authorized to defray the expenses for you and your dependents for the period of temporary lodging while you are seeking a permanent residence. In order to be eligible for TQSE, the distance between the new station and old residence must be at least 50 miles greater than the distance between the old station and old residence.

a. There are 2 methods of reimbursement for TQSE: the actual expense method and the fixed amount method.

(1) Actual Expense Method: You can be authorized 30 days, not to exceed 60 days, of TQSE under the actual expense method. You may be authorized an extension of TQSE if there is a compelling reason for you to continue occupying temporary quarters. A compelling reason is an event that is beyond your control and acceptable to the agency.

A. Under the actual expense method, you are responsible for documenting your TQSE by itemizing each expense and providing receipts on AGO-OR Form 572-1 *Temporary Quarters and Subsistence Entitlement (TQSE) Expense Form*. Expenses must be directly related to occupancy of temporary quarters, such as lodging, restaurants, groceries, dry cleaning, and utilities. Under this method, you will be reimbursed for your actual TQSE, provided the expenses are reasonable and do not exceed the maximum allowance amount. The ‘maximum allowable amount’ is the ‘maximum daily’ amount multiplied by the number of days you actually incur TQSE not to exceed the number of days authorized, taking into account that the rates change after 30 days in temporary quarters.

B. If you are authorized actual expense method TQSE and you are also authorized a house-hunting trip, the amount of house-hunting days authorized are taken off of the 1st 30 days TQSE authorized.

C. The maximum TQSE lodging and per diem daily allowance limitations are shown in Table 2-3.

Table 2-3 Maximum TQSE Lodging and Per Diem Daily Allowance Limitations

Employee status:	1 st 30 days	2 nd 30 days
Employee or unaccompanied spouse	\$86.00	\$64.50
Accompanying spouse/family member 12 years of age or older	\$64.50	\$43.00
Accompanying family members under 12 years of age	\$43.00	\$40.00

(2) Fixed Rate Method: If you are authorized the fixed rate method, you are paid a fixed amount for up to 30 days, and no extensions are allowed. Under this method, you don't have to document your TQSE as you do under the actual expense method. To determine the amount of reimbursement under the fixed rate method, you multiply the number of days TQSE you are authorized by .75 times the maximum per diem rate (including lodging plus meals and incidental expenses) for the locality of the new official duty station. Then, for each member of your immediate family, multiply the same number of days by .25 times the same per diem rate. Your payment will be the sum of these calculations.

2-9. Miscellaneous Expenses

The purpose of the miscellaneous expense allowance is to defray the expenses associated with discontinuing a residence at the old station and setting up a residence at the new station.

a. Minimum allowances in the following amounts may be paid without being supported by receipts or itemized statements indicating the nature of costs or expenses being reimbursed:

(1) Without dependents: \$500 or one week's basic pay, whichever is less

(2) With dependents: \$1000 or two week's basic pay, whichever is less

b. The following are examples of reimbursable expense costs. They are common to living quarters, furnishings and household appliances and to other general costs associated with relocation.

(1) Fees for disconnecting and connecting appliance and equipment or for converting them for operation

(2) Cutting and fitting old rugs, draperies, etc to new residence (purchase of items is not included)

(3) Cost of vehicle registration and driver's licenses

(4) Various preparation costs in mobile home shipments

2-10. Real Estate Transaction Expenses

For the purpose of these allowances, a residence is your actual residence or dwelling place. You must regularly commute to and from work on a daily basis. Weekend commuting does not qualify.

a. You have two years in which to complete the transactions and claim expenses. The 2-year period begins on the employee's date of transfer and ends on the 2nd anniversary of that date. Upon an employee's written request, the 2-year period may be extended for up to an additional 2 years by the HR. The employee should submit a written request to the HR as soon as the employee is aware of a need for extension, but within the initial 2-year period. An extension may be granted if a determination is made that extenuating circumstances prevented the employee from completing the sale, purchase, and/or lease termination transactions within the initial 2-year period and that the delayed transactions are reasonably related to the PCS.

b. The residence must be titled in one of the following ways to qualify for these allowances:

(1) Solely in the name of the employee alone.

(2) Jointly in the names of the employee and/or one or more members of the immediate family.

(3) Solely in the name(s) of one or more members of the immediate family

c. The amount of reimbursement on real estate transactions is limited to 10% of actual sale price of the residence at the old PDS and 5% of actual purchase price of a residence at the new PDS. The regulations are very specific as to what may and may not be reimbursed and are reflected in Table 2-4.

Table 2-4 Reimbursable Expenses for the Sale/Purchase of a Residence

Type of Expense	Old Station (Sale)	New Station (Purchase)
Abstract (public record or property)	Yes	Yes
Advertising	Yes	No
Application fee (FHA & VA only)	Yes	Yes
Appraisal fee to determine market value of residence	Yes	No
Appraisal fee (lender's)	No	Yes
Assumption fee (not in addition to origination fee)	No	Yes
Attorney's fee	Yes	Yes
Broker's commission	Yes	No
Construction Charges	No	No
Cost of litigation	No	No
Credit report	No	Yes
Escrow agent's fee (not escrow deposits)	Yes	Yes
Hazard insurance	No	No
Inspection fees (when required, not requested)	Yes	Yes
Interest on loans	No	No
Lender's service fees (except as specifically listed)	No	No
Loan discounts (points)	No	No
Loan origination fee (not to exceed 1 per cent)	No	Yes
Loan transfer fee (in addition to assumption or origination fee)	No	Yes
Losses due to prices or market conditions	No	No
Mortgage insurance	No	No
Mortgage prepayment penalty	Yes	No
Mortgage title insurance (lender's coverage)	No	Yes
Mortgage title insurance (owner's coverage)	Yes	No
Notary fee's	Yes	Yes
Operating and maintenance costs	No	No
Pest inspection fee (but no services provided)	Yes	Yes
Pest eradication services	No	No
Property taxes	No	No
Recording fees	Yes	Yes
Record title insurance	Yes	Yes
Repair costs	No	Yes
State/County/City revenue stamps	Yes	Yes
Survey	Yes	Yes
Title insurance binder (instead of title search)	Yes	Yes
Title insurance option	Yes	Yes
Transfer charges	Yes	Yes
Expired lease termination	Yes	No

- d. Non-reimbursable sale/purchase expenses include
- (1) Cost of litigation
 - (2) Property taxes
 - (3) Finance charges
 - (4) Losses dues to market conditions (capital losses)
 - (5) Duplicate expenses (i.e. 2 appraisals, termite inspections, etc)
 - (6) Cost of services provided at personal request or option of employee
 - (7) Residence transaction expenses incurred where the related residence sale or purchase does not transpire
 - (8) Expenses involved in leases with options to purchase
 - (9) Tax service or tax escrow
 - (10) Loan discount fee
 - (11) Interest
 - (12) Hazard insurance
 - (13) County property taxes
 - (14) Title insurance (owner's coverage)
- e. The DD Form 1705 *Application for Reimbursement of Expenses Incurred by DoD Civilian Employee Upon Sale or Purchase (OR BOTH) of Residence Upon Change of Duty Station* must be completed after the sale and or purchase of residences and submitted for reimbursement along with the DD Fm 1351-2.

2-11. Advance Payment and Reimbursement

The travel section of the finance office supporting your new station handles requests for advance travel and per diem payments, monthly partial payments, or reimbursement of expenses. This office will be the final authority on how you will request PCS funds. All requests for payment is made using a DD 13512 Travel Voucher or Sub Voucher, along with a copy of your PCS orders. Each type of reimbursement request requires different types of supporting documentation. This is the summary of the types of payment and the most common supporting documentation required.

a. Travel to New Duty Station and Per Diem While in Transit – filed just as you would file a TDY travel voucher with:

- (1) Lodging
- (2) Airline Receipts
- (3) Gasoline Receipts

b. House Hunting Trip – filed just as you would file a TDY travel voucher with a separate voucher for you and your spouse.

- (1) Lodging
- (2) Airline Receipts
- (3) Gasoline receipts

c. Household Goods Storage – storage unit receipts

d. Household Goods Shipment –

- (1) Weight tickets/receipts when moving self
- (2) Government Bill of Lading (GBL) ticket

e. Mobile Home Movement in Lieu of Household Goods Shipment –

- (1) Billing from movers
- (2) Weight tickets

f. Miscellaneous Expense – On DD Form 1351-2, fill out items 1 – 9 and 11. Then in item 18, fill in “Miscellaneous Expense” and the amount authorized by your PCS order.

g. Real Estate Transaction –

(1) Real Estate Form

(2) All final paperwork in the closing process

h. *AGO-OR Form 572-2 Technician PCS Planning and Withholding Tax Allowance (WTA) Waiver*

2-13. Relocation Services

Relocation Services are services provided by a private company under a contract with the agency to assist a transferred employee in relocating to the new official duty station. Authorization of the service is discretionary. The agency may pay for contracted relocation services that are a substitute for reimbursable sale of residence allowances.

Section 3.

Relocation Income Tax Allowance (RITA) and Withholding Tax Allowance (WTA)

3-1. General

Most of the PCS expense reimbursement you receive will be paid in the form of salary that must be taxed.

a. **RITA.** The Relocation Income Tax Allowance (RITA) is available to reimburse substantially all of the additional federal, state and local income taxes you incur (or your spouse incurs if you file a joint tax return) resulting from the PCS reimbursements. The RITA covers moving expenses actually paid or incurred but not allowable as a moving expense deduction for tax purposes.

b. **WTA.** The Withholding Tax Allowance (WTA) is an advance on the RITA paid directly to the Internal Revenue Service. The WTA will enable you to receive (before filing your RITA claim) a reimbursement that is very close in value to the actual expense incurred. The WTA will be deducted from the RITA when it is claimed at the end of the Federal Income Tax year. WTA is automatic unless you waive the allowance.

3-2. RITA Details

a. The RITA payments are computed on a formula originated by the IRS. This formula approximates the taxes that you have already paid and the taxes that will be due on the reimbursement through the RITA allowance. Mandatory Federal Withholding Tax (FWT) and applicable Federal Insurance Contributions Act (FICA) and Medicare taxes will be withheld from taxable entitlement before PCS entitlement vouchers are paid. A PCS W-2, reflecting entitlement (income) and taxes withheld, will be issued to you, for each calendar year that any entitlement is paid.

b. The RITA will offset your taxes on the reimbursement for the following expenses:

(1) En route travel

(2) Household goods shipment (not taxed)

(3) Non-temporary storage of household goods (not taxed)

(4) House hunting trips

(5) Real estate expense

- (6) Miscellaneous expense allowance
- (7) Temporary quarters and subsistence
- (8) The movement of mobile homes (not taxed)
- (9) Relocation services paid on behalf of the employee by the agency

3-3. WTA Details

a. The WTA will lessen your tax burden between the time you incur a PCS expense and the time you can file for the RITA after the end of the Federal income tax year. However, in rare cases, waiving the WTA may be to your advantage. Prior to claiming reimbursement for a PCS, you may elect to waive the Withholding Tax Allowance (WTA).

b. The Joint Federal Travel Regulation authorizes the payment of a WTA in advance of filing a RITA claim, to cover your withholding tax obligation for Federal Income Taxes on income resulting from covered taxable reimbursements. The WTA is approximately the same as the amount of taxes withheld for all taxable reimbursements. It is paid directly to the Internal Revenue Service (IRS) on your behalf.

c. When WTA is applied, it is computed at 38.888 percent of taxable entitlements. If you are in the 28 percent or lower Federal Tax bracket, it is highly probable that you will have a WTA overpayment and will be required to repay the overpayment amount to the government. The actual amount owed will be calculated when you file the Relocation Income Tax Allowance (RITA) voucher after the end of the Federal tax year.

d. The WTA payment will be shown as a Federal tax withhold on the PCS W2 and will be incorporated into your Federal income tax filing at the end of the year. This tax payment made at a high tax rate may result in a refund from the IRS based on your Federal income tax filing.

3-4. Determining if WTA Should Be Waived.

a. The WTA will be used unless you waive it. The information below is designed to help you decide which is best based on your financial needs and income tax circumstances.

Table 3-1, Federal Withholding Tax Table, 1 July 2003

Tax Bracket	Gross Income Range Based on Filing Status			
	Single Tax Payer	Head of Household	Married / Joint or Widow / Widower	Married Filing Separately
10%	\$ 0 - 7,000	\$ 0 - 10,000	\$ 0 - 14,000	\$ 0 - 7,000
15%	\$ 7,000 - 28,400	\$ 10,000 - 38,050	\$ 14,000 - 56,800	\$ 7,000 - 28,400
25%	\$ 28,400 - 68,800	\$ 38,050 - 98,250	\$ 56,800 - 114,650	\$ 28,400 - 57,325
28%	\$ 68,800 - 143,500	\$ 98,250 - 159,100	\$ 114,650 - 174,700	\$ 57,325 - 87,350
33%	\$ 143,500 - 311,950	\$ 159,100 - 311,950	\$ 174,700 - 311,950	\$ 87,350 - 155,975
35%	\$ 311,950 and over	\$ 311,950 and over	\$ 311,950 and over	\$ 155,975 and over

b. If the you use WTA, you will receive a full reimbursement of expenses faster than if you do not use WTA. However, when the RITA is calculated after the end of the Federal income tax year, the technician may or may not be required to pay back some of the WTA. Use table 3-1 to determine the technician’s tax bracket for the following statements.

(1) If your total combined income (before deductions) for the you and your spouse will not exceed the higher figure under the applicable filing status on the 28% rate of taxation (tax bracket), you will most likely owe a portion of the WTA back to the government after the RITA

is calculated. However, the WTA payments are applied to your Federal income tax burden. So the WTA payback owed may be more than offset by an amount you receive as a Federal Income Tax refund.

(2) If the total combined income (before deductions) for you and your spouse will exceed the higher figure under the applicable filing status on the 28% rate of taxation, you would most likely have a RITA higher than the WTA and receive the balance.

c. The following example illustrates how waiving the WTA would work.

Figure 3-1, WTA Example

A technician submits a claim for reimbursement of \$1,000.00.

- If the WTA were applied, you would receive reimbursement as salary in the amount of \$1,388.89 with \$1,000.00 paid to you and \$388.89 paid to the IRS as a WTA payment. When the RITA is computed with WTA you would owe the government approximately \$212.42 in overpayment of WTA. (The actual amount owed would be based upon your actual tax bracket based in your Federal Income Tax Return).
- If you waived the WTA, you would receive reimbursement as salary in the amount of \$1,000 with \$720.00 paid to you and \$280.00 paid to the IRS as a tax deduction. When the RITA is computed without WTA you would receive a payment of approximately \$176.47 (less \$49.41 taxes) with the balance of \$103.53 returned to you in the form of a refund from the IRS. (The actual refund would be based on the actual tax bracket of the technician based in his or her Federal Income Tax Return and how much was withheld from all other taxable income).

3-5. Request to Waive the WTA and/or Claim the RITA

a. During your HRO PCS briefing, you will receive an AGO-OR Form 752-3, Withholding Tax Allowance (WTA) Waiver And Relocation Income Tax Allowance (RITA) Claim Form. You must submit the completed form with the first reimbursement claim you file with your supporting payroll office.

b. Unless you do not waive the WTA, it will be applied to all reimbursement payments and you must file RITA claim at the end of the Federal tax year.

c. If you waive the WTA, the RITA is not mandatory and it is up to you to submit the RITA claim.

d. To file a RITA claim, you must first receive one or more PCS W-2(s) and complete your Federal Income Tax Return. You then submit a travel voucher with supporting documentation. The voucher should clearly specifying that it is a RITA claim and the supporting documentation is the completed Federal Income Tax Return for the year in which PCS reimbursement was paid as reflected in the PCS W-2(s).

**Section 4.
Closing Statement**

The HRO's goal in writing this information guide is to ensure that the technician who is experiencing a PCS move has a ready reference on available benefits and allowances. If you are unsure of anything, don't hesitate to call the Oregon National Guard Director of Human

Resources, Army or Air Technician PCS representatives at (503) 584-3975, DSN: 355-3975 or email HRO.WD@orport.ang.af.mil.

Appendix A References

Section I – Required Publications

Federal Travel Regulation 41 CFR (Chapters 301, 302)

Joint Travel Regulation Volume 2

Internal Revenue Service’s (IRS) Publication 521, “Tax Information on Moving Expenses,”

Federal Travel Regulation 41 CFR (Chapters 301, 302).

Section II - Related Publications

No entries in this section

Section III - Prescribed Forms

AGO-OR Form 572

Permanent Change of Station (PCS) Travel Questionnaire for Current ORNG Technicians

AGO-OR Form 572-1

Temporary Quarters and Subsistence Entitlement (TQSE) Expense Form

AGO-OR Form 572-2

Technician PCS Planning and Withholding Tax Allowance (WTA) Waiver

AGO-OR Form 572-3

Relocation Tax Allowance RITA Claim Form

DD Form 1351-2

Travel Voucher or Subvoucher

DD Form 1614

Request and Authorization for DoD Civilian Permanent Duty Travel

DD Form 1618

Department of Defense (DOD) Transportation Agreement Transfer of Civilian Employees to and within Continental United States (CONUS)

DD Form 1705

Application for Reimbursement of Expenses Incurred by DoD Civilian Employee Upon Sale or Purchase (OR BOTH) of Residence Upon Change of Duty Station

Section IV – Referenced Forms

No entries in this section

Section V - Glossary

HRO

Human Resources Office

PCS

Permanent Change of Station

WTA

Withholding Tax Allowance

RITA

Relocation Tax Allowance

POC

Privately Owned Conveyance

TAO

Traffic Arrangement Office

TQSE

Temporary Quarters Subsistence Expense