

# Board of Contract Appeals

General Services Administration  
Washington, D.C. 20405

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August 2, 2006

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GSBCA 16902-RELO

In the Matter of TROY T.R. POITRA

Troy T.R. Poitra, Winslow, AZ, Claimant.

Kathryn Lohman, Travel Lead, Division of Fiscal Services, Bureau of Indian Affairs, Department of the Interior, Reston, VA, appearing for Department of the Interior.

**DeGRAFF**, Board Judge.

## Background

In late 2003, the Department of the Interior issued a travel authorization to Troy T.R. Poitra in connection with his anticipated permanent change of duty station. At the time, Mr. Poitra was serving on active military duty. In early 2004, Mr. Poitra's family moved from his old duty station, but did not move to the area of his new duty station. It does not appear that Mr. Poitra ever submitted a voucher to Interior for the expenses he incurred in connection with his family's move.

In early 2005, Mr. Poitra returned from active military duty. Interior amended his travel authorization to reflect the fact that Mr. Poitra's family had already moved from the old duty station, and he and his family moved to his new duty station. They incurred some relocation expenses, for which Mr. Poitra submitted a voucher. Interior reimbursed Mr. Poitra for his relocation expenses and paid him a withholding tax allowance (WTA). In 2006, Mr. Poitra submitted a voucher for a relocation income tax (RIT) allowance. Interior reviewed the voucher, determined it had paid him an excessive amount of WTA, and asked Mr. Poitra to repay approximately \$400.

Mr. Poitra asks us to review Interior's determination. He does not challenge the agency's calculation of his RIT allowance. However, he does not believe Interior properly took into account the expenses he incurred in 2004, when his family moved from his old duty station.

### Discussion

Relocation benefits paid by the Government to transferred employees are generally considered taxable income to the recipients. To cover the increased tax liability resulting from receipt of the benefits, Congress authorized agencies to pay the employees an additional sum, called a RIT allowance. 5 U.S.C. § 5724b(a) (2000); 41 CFR 302-17.1 (2005). The implementing regulations establish a two-step process for determining an employee's RIT allowance. In the year in which the agency pays the relocation benefits, it also pays a WTA, which is an estimate of the employee's increased income tax liability that results from the receipt of the benefits and the WTA itself. 41 CFR 302-17.5(e), (n). In the following year, the agency calculates a RIT allowance, which more accurately reflects the employee's actual tax situation. When an agency determines an employee's RIT allowance is greater than the amount of the WTA it paid, it will reimburse the employee for the difference. When an agency determines an employee's RIT allowance is less than the amount of the WTA it paid, it will collect the excessive amount of WTA from the employee. 41 CFR 302-17.5(f)(2), (m), -17.7(e)(2), -17.8; *Paula M. Stead*, GSBCA 16506-RELO, 05-1 BCA ¶ 32,874; *Philippe J. Minard*, GSBCA 15632-RELO, 01-2 BCA ¶ 31,631; *William A. Lewis*, GSBCA 14367-RELO, 98-1 BCA ¶ 29,532.

We carefully reviewed the material Interior submitted to us regarding Mr. Poitra's RIT allowance, and we see nothing to suggest that Interior inappropriately calculated the amount of the allowance. Interior's calculations were based upon the information Mr. Poitra submitted to the agency, and neither we nor Interior can determine whether or how to take into account the expenses he incurred in connection with his family's move in 2004, because it does not appear he ever submitted a voucher for these expenses and we have no idea what the expenses were. We must deny Mr. Poitra's claim because he has not provided us with any facts or theories to show Interior reached the wrong result when it asked him to repay the excessive WTA.

Even though we deny Mr. Poitra's claim, we note that Interior appears to be quite willing to help him determine whether he is owed anything more in connection with his transfer. We suggest to Mr. Poitra that he submit a voucher to Interior for the expenses he

incurred when his family moved in 2004.<sup>1</sup> Interior can evaluate his claim and determine what, if anything, he ought to be reimbursed for their move.

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MARTHA H. DeGRAFF  
Board Judge

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<sup>1</sup> We also suggest to Mr. Poitra that he submit a voucher for his miscellaneous expense allowance, which Interior says he has not done.