United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240

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To: Bureau Assistant Directors for Administration
Bureau Chief Financial Officers

From: Daniel L. Fletcher
Director, Office of Financial Management

Subject: Meals and Incidental Expenses (M&IE) Meal Deduction Rule Clarification

The General Services Administration has released Federal Travel Regulation (FTR) Amendment 2009-003 that defines what a furnished meal is under the regulation. It further clarifies when an employee may claim reimbursement for a meal that was either paid for or provided at government expense.

FTR 300-3.1 defines a "furnished meal" as one that is furnished either directly by the government or as a result of the government paying a registration fee or other cost that allows the employee to attend a conference or other event. If a meal is paid for by the government, the allocated meal amount must be deducted from the traveler's daily M&IE reimbursement.

FTR 301-11.18(b) and (c) allows agencies the discretion of paying a traveler's full M&IE when meals were furnished. Interior travelers may be paid full M&IE when meals are furnished by the government if:

- They have requested and were granted, prior to travel, an exemption from the requirement to consume furnished meals due to a medical condition or religious beliefs of the traveler.
  - The traveler must show that they made efforts to arrange for an alternative meal that would satisfy their dietary requirements but were unsuccessful in their attempt.
  - They must show that they purchased a substitute meal that was acceptable for their medical condition or their religious beliefs.
- The employee is unable to consume a furnished meal due to the fact that they were required to conduct official business. Note: The official business conducted must be: (1) documented; (2) of critical importance; and, (3) require that the traveler not be able to partake of the furnished meal due to the location and timing of the official business.

If you have any questions concerning this policy, please contact Robert Smith, at (202) 208-5684.

Attachment (if applicable)

cc: Financial Statement Guidance Team
Finance Officers Partnership

Cancelled FMMs: N/A

Additional FMMs on the Subject:

2009-004	Reduced Per Diem for Temporary Duty and Training Travel for periods of 30 or more days
2009-005	Increase in Maximum Reimbursement Allowed for Actual Subsistence – FTR Amendment 66
2009-039	Excess Baggage Fees
2009-040	Reimbursement of Fees Associated with Airport Security Fast Pass Memberships
2009-101	Reimbursement of Valet Parking Charges

General Services Administration
Washington, DC 20405

April 10, 2009

FEDERAL TRAVEL REGULATION
Amendment 2009-03

TO: Heads of Federal agencies

Subject: Amendment 2009-03, Federal Travel Regulation (FTR) Case 2009-303, Furnished Meals at Conferences and Other Events

1. Purpose. This final rule amends the Federal Travel Regulation (FTR) to clarify that travelers must deduct the appropriate amounts from their meals and incidental expense (M&IE) allowance when meals are part of a registration fee or otherwise paid for by the Government, in conjunction with attendance at conferences or other events while on official travel.

2. Effective date: April 10, 2009.

3. Background. On March 14, 2008, The Government Accountability Office (GAO) issued a report entitled, "Governmentwide Purchase Cards: Actions Needed to Strengthen Internal Controls to Reduce Fraudulent, Improper, and Abusive Purchases." The report recommended that GSA instruct agencies to remind Government travelers that they must reduce the M&IE claimed on their travel vouchers by the specified amount that GSA allocates when travelers receive Government-paid-for meals at conferences or other events, including continental breakfasts.

While GSA emphasizes prudent management of travel funds, it also recognizes that there are times when a traveler cannot consume a Government-furnished meal due to reasons that either transcend personal choice (such as medical requirements or religious beliefs) and the traveler is unable to make alternative meal arrangements with the conference or event coordinators or due to the conduct of official business. The requirement to deduct the appropriate amount from the travel voucher may not reasonably apply to travelers in such circumstances.

This FTR rule was published in the Federal Register at 74 FR 16327, April 10, 2009.

4. Explanation of changes. This final rule amends the FTR by:

a. *Section 300-3.1* - Adding a definition for "Furnished meal."

b. *Section 301-2.5* - Adding paragraph (p) requiring specific authorization for an employee to claim the full applicable M&IE allowance due to medical requirements or religious beliefs, despite the fact that meals are furnished to the employee through registration fees or otherwise paid for by the Government.

c. *Section 301-11.18* - Incorporating the terms "continental breakfast" and "furnished meal" where appropriate, and clarifying under what circumstances agencies may permit employees to claim the full M&IE allowance even though meals are furnished by the Government.

d. *Section 301-70.200* - Adding paragraph (h) requiring agencies to designate who will determine, and in what instances, an employee may be able to claim the full M&IE allowance even though meals are furnished to the employee by the Government.

5. Filing instructions. Remove and insert the following pages to the FTR:

Remove pages	Insert pages
300-3-1 and 300-3-2	300-3-1 and 300-3-2
301-2-1 and 301-2-2	301-2-1 and 301-2-2
301-11-3 thru 301-11-10	301-11-3 thru 301-11-10
301-70-1 and 301-70-2	301-70-1 and 301-70-2

for Craig Flynn,
Director, Travel Management Policy
Office of Travel, Transportation &
Asset Management.

PART 300-3—GLOSSARY OF TERMS

Authority: 5 U.S.C. 5707; 40 U.S.C. 121(c); 49 U.S.C. 40118; 5 U.S.C. 5738; 5 U.S.C. 5741-5742; 20 U.S.C. 905(a); 31 U.S.C. 1353; E.O. 11609; 3 CFR, 1971-1975 Comp., p. 586, Office of Management and Budget Circular No. A-126, "Improving the Management and Use of Government Aircraft." Revised April 28, 2006.

§300-3.1 What do the following terms mean?

Actual expense—Payment of authorized actual expenses incurred, up to the limit prescribed by the Administrator of GSA or agency, as appropriate. Entitlement to reimbursement is contingent upon entitlement to per diem, and is subject to the same definitions and rules governing per diem.

Agency—For purposes of Chapter 302 agency means:

(1) An executive agency as defined in Title 5 U.S.C. 105 (an executive department an independent establishment, the Government Accountability Office, or a wholly owned Government corporation as defined in section 101 of the Government Corporation Control Act, as amended (31 U.S.C. 9101), but excluding a Government controlled corporation);

(2) A military department;

(3) A court of the United States;

(4) The Administrative Office of the United States Courts;

(5) The Federal Judicial Center;

(6) The Library of Congress;

(7) The United States Botanic Garden;

(8) The Government Printing Office; and

(9) The District of Columbia.

Aircraft management office—An agency component that has management control of Federal aircraft used by the agency or of aircraft hired as commercial aviation services (CAS).

Approved accommodation—Any place of public lodging that is listed on the national master list of approved accommodations. The national master list of all approved accommodations is compiled, periodically updated, and published in the Federal Register by FEMA. Additionally, the approved accommodation list is available on the U.S. Fire Administration's Internet site at http://www.usfa.fema.gov/hotel/index.htm.

Automated-Teller-Machine (ATM) services—Government contractor-provided ATM services that allow cash withdrawals from participating ATMs to be charged to a Government contractor-issued charge card.

Commercial Aviation Services (CAS)—Commercial aviation services (CAS) include, for the exclusive use of an executive agency—

(1) Leased aircraft;

(2) Chartered or rented aircraft;

(3) Commercial contracts for full aviation services (*i.e.*, aircraft plus related aviation services) or acquisition of full services through inter-service support agreements (ISSA) with other agencies; or

(4) Related services (*i.e.*, services but not aircraft) obtained by commercial contract or ISSA, except those services acquired to support Federal aircraft.

Common carrier—Private-sector supplier of air, rail or bus transportation.

Commuted Rate—A price rate used to calculate a set amount to be paid to an employee for the transportation and temporary storage of his/her household goods. It includes cost of line-haul transportation, packing/unpacking, crating/uncrating, drayage incident to transportation and other accessorial charges and costs of temporary storage within applicable weight limit for storage including handling in/out charges and necessary drayage.

Conference—A meeting, retreat, seminar, symposium or event that involves attendee travel. The term "conference" also applies to training activities that are considered to be conferences under 5 CFR 410.404.

Continental United States (CONUS)—The 48 contiguous States and the District of Columbia.

Contract carriers—U.S. certificated air carriers which are under contract with the government to furnish Federal employees and other persons authorized to travel at Government expense with passenger transportation service. This also includes GSA's scheduled airline passenger service between selected U.S. cities/airports and between selected U.S. and international cities/airports at reduced fares.

Crewmember—A person assigned to operate or assist in operating an aircraft. Performs duties directly related to the operation of the aircraft (e.g., as pilots, co-pilots, flight engineers, navigators) or duties assisting in operation of the aircraft (e.g., as flight directors, crew chiefs, electronics technicians, mechanics). If a crewmember is onboard for the purpose of travel, (*i.e.*, being transported from point to point) he/she must be authorized to travel in accordance with rules in 41 CFR 301-10.260 through 301-10.266 and 41 CFR 301-70.800 through 301-70.903.

Employee with a disability (also see *Special Needs*)—

(a) An employee who has a disability as defined in paragraph (b) of this definition and is otherwise generally covered under the Rehabilitation Act of 1973, as amended (29 U.S.C. 701-797b).

(b) "Disability," with respect to an employee, means:

(1) Having a physical or mental impairment that substantially limits one or more major life activities;

(2) Having a record of such an impairment;

(3) Being regarded as having such an impairment; but

(4) Does not include an individual who is currently engaging in the illegal use of drugs, when the covered entity acts on the basis of such use.

(c) "Physical or mental impairment" means:

(1) Any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affecting one or more of the following body systems: neurological, musculoskeletal, special sense organ, respiratory (including speech organs), cardiovascular, reproductive, digestive, genitourinary, hemic and lymphatic, skin, and endocrine; or

(2) Any mental or psychological disorder (e.g., mental retardation, organic brain syndrome, emotional or mental illness and specific learning disabilities).

(3) The term "physical or mental impairment" includes, but is not limited to, such diseases and conditions as cerebral palsy, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, and orthopedic, visual, speech and hearing impairments.

(d) "Major life activities" means functions such as caring for oneself, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning and working.

(e) "Has a record of such an impairment" means the employee has a history of, or has been classified as having, a mental or physical impairment that substantially limits one or more major life activities.

(f) "Is regarded as having such an impairment" means the employee has:

(1) A physical or mental impairment that does not substantially limit major life activities but the impairment is treated by the agency as constituting such a limitation;

(2) A physical or mental impairment that substantially limits major life activities as a result of the attitudes of others toward such an impairment; or

(3) None of the impairments defined under "physical or mental impairment", but is treated by the employing agency as having a substantially limiting impairment.

E-Gov Travel Service (ETS)—The Government-contracted, end-to-end travel management service that automates and consolidates the Federal travel process in a self-service Web-centric environment, covering all aspects of official travel, including travel planning, authorization, reservations, ticketing, expense reimbursement, and travel management reporting. The eTS provides the services of a Federal travel management program as specified in §301-73.1(a), (b), and (c) of this title.

Executive agency—An entity of the executive branch that is an "executive agency" as defined in section 105 of title 5 U.S.C.

Extended Storage—Storage of household goods while an employee is assigned to an official station or post of duty to which he/she is not authorized to take or unable to use the household goods or is authorized in the public interest. Also referred to as nontemporary storage.

Family (see Immediate family)

Federal traveler—For the purposes of 41 CFR 301-10.260-301-10.266 and 301-70.800-301-70.910, a person who travels on a Government aircraft and who is either—

(1) A civilian employee in the Government service;

(2) A member of the uniformed or foreign services of the United States Government; or

(3) A contractor working under a contract with an executive agency.

Foreign air carrier—An air carrier who is not holding a certificate issued by the United States under 49 U.S.C. 41102.

Foreign area (see also *non-foreign area*)—Any area, including the Trust Territories of the Pacific Islands, situated both outside CONUS and the non-foreign areas.

Full coach fare—The price of a coach fare available to the general public on a scheduled air carrier between the day that the travel was planned and the day the travel occurred.

Furnished meal—A meal provided to an employee, either directly from the Government or as a result of the Government paying a registration fee or other cost which allows the employee to attend a conference or other event. If the Government has already paid for a meal, the employee must deduct the allocated amount when filing their travel voucher.

Government aircraft—An aircraft that is operated for the exclusive use of an executive agency and is a—

(a) Federal aircraft, which an executive agency owns (*i.e.*, holds title to) or borrows for any length of time under a bailment or equivalent loan agreement. See 41 CFR 102-33.20 for definition of all terms related to Federal aircraft, or

(b) Commercial aircraft hired as commercial aviation services (CAS), which an executive agency—

(1) Leases or lease-purchases with the intent to take title,

(2) Charters or rents, or

(3) Hires as part of a full-service contract or inter-service support agreement (ISSA).

Government contractor-issued individually billed charge card—A Government contractor-issued charge card used by authorized individuals to pay for official travel and transportation related expenses for which the contractor bills the employee.

Government-furnished automobile—An automobile (or "light truck," as defined in 41 CFR 101-38 including vans and pickup trucks) that is:

(a) Owned by an agency,

(b) Assigned or dispatched to an agency from the GSA Interagency Fleet Management System, or

(c) Leased by the Government for a period of 60 days or longer from a commercial source.

Government-furnished vehicle—A Government-furnished automobile or a Government aircraft.

Government Transportation Request (GTR) (Standard Form 1169)—A Government document used to procure common carrier transportation services. The document obligates the Government to pay for transportation services provided.

Household Goods (HHG)—Property, unless specifically excluded, associated with the home and all personal effects belonging to an employee and immediate family members on the effective date of the employee's change of official station orders (the day the employee reports for duty at the new offi-

PART 301-2—GENERAL RULES

Authority: 5 U.S.C. 5707; 31 U.S.C. 1353; 49 U.S.C. 40118.

§301-2.1 Must I have authorization to travel?

Yes, generally you must have written or electronic authorization prior to incurring any travel expense. If it is not practicable or possible to obtain such authorization prior to travel, your agency may approve a specific authorization for reimbursement of travel expenses after travel is completed. However, written or electronic advance authorization is required for items in §301-2.5(c), (i), (n), and (o) of this part.

§301-2.2 What travel expenses may my agency pay?

Your agency may pay only those expenses essential to the transaction of official business, which include:

(a) Transportation expenses as provided in Part 301-10 of this chapter;

(b) Per diem expenses as provided in Part 301-11 of this chapter;

(c) Miscellaneous expenses as provided in Part 301-12 of this chapter; and

(d) Travel expenses of an employee with special needs as provided in Part 301-13 of this chapter.

§301-2.3 What standard of care must I use in incurring travel expenses?

You must exercise the same care in incurring expenses that a prudent person would exercise if traveling on personal business.

§301-2.4 For what travel expenses am I responsible?

You are responsible for expenses over the reimbursement limits established in this chapter. Your agency will not pay for excess costs resulting from circuitous routes, delays, or luxury accommodations or services unnecessary or unjustified in the performance of official business.

§301-2.5 What travel arrangements require specific authorization or prior approval?

You must have a specific authorization or prior approval for:

(a) Use of first-class or business-class service on common carrier transportation;

(b) Use of a foreign air carrier;

(c) Use of reduced fares for group or charter arrangements;

(d) Use of cash to pay for common carrier transportation;

(e) Use of extra-fare train service;

(f) Travel by ship;

(g) Use of a rental car;

(h) Use of a Government aircraft;

(i) Payment of a reduced per diem rate;

(j) Payment of actual expense;

(k) Travel expenses related to emergency travel;

(l) Transportation expenses related to threatened law enforcement/investigative employees and members of their families;

(m) Travel expenses related to travel to a foreign area;

(n) Acceptance of payment from a non-Federal source for travel expenses, see Chapter 304 of this subtitle;

(o) Travel expenses related to attendance at a conference; and

(p) Due to an employee's medical requirements or religious beliefs, payment of the full M&IE allowance even though meals are furnished by the Government either directly or through a registration fee or other payment for a conference or other event, in accordance with §301-11.18(b).

Note to §301-2.5: Paragraphs (c), (i), (n), and (o) of this section require a written or electronic advance authorization.

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§301-11.17 If my agency authorizes per diem reimbursement, will it reduce my M&IE allowance for a meal(s) provided by a common carrier or for a complimentary meal(s) provided by a hotel/motel?

No. A meal provided by a common carrier or a complimentary meal provided by a hotel/motel does not affect your per diem.

§301-11.18 What M&IE rate will I receive if a meal(s) is furnished by the Government or is included in the registration fee?

(a) Except as provided in §301-11.17 or in paragraph (b) of this section, your M&IE allowance must be adjusted for meals furnished to you by the Government (including meals furnished under the authority of Chapter 304 of this Title) by deducting the appropriate amount shown in the chart in this section for travel within CONUS and the chart in Appendix B of this chapter for meal deductions for OCONUS and foreign travel. The total amount of deductions made will not cause you to receive less than the amount allowed for incidental expenses.

Total M&IE	$39	$44	$49	$54	$59	$64
Continental Breakfast/ Breakfast	7	8	9	10	11	12
Lunch	11	12	13	15	16	18
Dinner	18	21	24	26	29	31
Incidentals	3	3	3	3	3	3

(b) Your agency, at its discretion, may allow you to claim the full M&IE allowance if:

(1) You are unable to consume the furnished meal(s) because of medical requirements or religious beliefs;

(2) In accordance with administrative procedures prescribed by your agency, you requested specific approval to claim the full M&IE allowance prior to your travel;

(3) In accordance with administrative procedures prescribed by your agency, you have made a reasonable effort to make alternative meal arrangements, but were unable to do so; and

(4) You purchase substitute meals in order to satisfy your medical requirements or religious beliefs.

(c) In your agency's discretion, and in accordance with administrative procedures prescribed by your agency, you may also claim the full M&IE allowance if you were unable to take part in a Government-furnished meal due to the conduct of official business.

§301-11.19 How is my per diem calculated when I travel across the international dateline (IDL)?

When you cross the IDL your actual elapsed travel time will be used to compute your per diem entitlement rather than calendar days.

§301-11.20 May my agency authorize a rest period for me while I am traveling?

(a) Your agency may authorize a rest period not in excess of 24 hours at either an intermediate point or at your destination if:

(1) Either your origin or destination point is OCONUS;

(2) Your scheduled flight time, including stopovers, exceeds 14 hours;

(3) Travel is by a direct or usually traveled route; and

(4) Travel is by coach-class service.

(b) When a rest stop is authorized the applicable per diem rate is the rate for the rest stop location.

§301-11.21 Will I be reimbursed for per diem or actual expenses on leave or non-workdays (weekend, legal Federal Government holiday, or other scheduled non-workdays) while I am on official travel?

(a) In general, you will be reimbursed as long as your travel status requires your stay to include a non-workday, (e.g., if you are on travel through Friday and again starting Monday you will be reimbursed for Saturday and Sunday), however, your agency should determine the most cost effective situation (i.e., remaining in a travel status and paying per diem or actual expenses or permitting your return to your official station).

(b) Your agency will determine whether you will be reimbursed for non-workdays when you take leave immediately (e.g., Friday or Monday) before or after the non-workday(s).

Note to §301-11.21: If emergency travel is involved due to an incapacitating illness or injury, the rules in Part 301-30 of this chapter govern.

§301-11.22 Am I entitled to per diem or actual expense reimbursement if I am required to return to my official station on a non-workday?

If required by your agency to return to your official station on a non-workday, you will be reimbursed the amount allowable for return travel.

§301-11.23 Are there any other circumstances when my agency may reimburse me to return home or to my official station for non-workdays during a TDY assignment?

Your agency may authorize per diem or actual expense and round-trip transportation expenses for periodic return travel on non-workdays to your home or official station under the following circumstances:

(a) The agency requires you to return to your official station to perform official business; or

(b) The agency will realize a substantial cost savings by returning you home; or

(c) Periodic return travel home is justified incident to an extended TDY assignment.

§301-11.24 What reimbursement will I receive if I voluntarily return home or to my official station on non-workdays during my TDY assignment?

If you voluntarily return home or to your official station on non-workdays during a TDY assignment, the maximum reimbursement for round trip transportation and per diem or actual expense is limited to what would have been allowed had you remained at the TDY location.

§301-11.25 Must I provide receipts to substantiate my claimed travel expenses?

Yes. You must provide a lodging receipt and a receipt for every authorized expense over $75, or provide a reason acceptable to your agency explaining why you are unable to furnish the necessary receipt(s) (see §301-52.4 of this chapter).

Note to 301-11.25: Hard copy receipts should be electronically scanned and submitted with your electronic travel claim when your agency has fully deployed ETS and notifies you that electronic scanning is available within your agency (see §301-50.3 of this chapter). You may submit a hard copy receipt, in accordance with your agency's policies, to support a claimed travel expense only when electronic imaging is not available within your agency.

§301-11.26 How do I get a per diem rate increased?

If you travel to a location where the per diem rate is insufficient to meet necessary expenses, you may submit a request, containing pertinent lodging and meal cost data, through your agency asking that the location be surveyed. Depending on the location in question your agency may submit the survey request to:

For CONUS locations	For non-foreign area locations	For foreign area locations
General Services Administration, Office of Governmentwide Policy, Attn: Travel Management Division (MTT), Washington, DC 20405.	Department of Defense, Per Diem, Travel and Transportation, Allowance Committee (PDTATAC), Hoffman Building #1, Room 836, 2461 Eisenhower Ave., Alexandria, VA 22331-1300	Department of State, Director of Allowances, State Annex 29, Room 262, Washington, DC 20522-2902.

§301-11.27 Are taxes included in the lodging portion of the Government per diem rate?

No. Lodging taxes paid by you are reimbursable as a miscellaneous travel expense limited to the taxes on reimbursable lodging costs. For example, if your agency authorizes you a maximum lodging rate of $50 per night, and you elect to stay at a hotel that costs $100 per night, you can only claim the amount of taxes on $50, which is the maximum authorized lodging amount. This section is effective January 1, 1999, for CONUS locations and effective January 1, 2000, for non-foreign areas. For foreign areas, lodging taxes have not been removed from foreign per diem rates established by the Department of State. Separate claims for lodging taxes incurred in foreign areas are not allowed.

§301-11.28 As a traveler on official business, am I required to pay applicable lodging taxes?

Yes, unless exempted by the State of local jurisdiction.

§301-11.29 Are lodging facilities required to accept a generic federal, state or local tax exempt certificate?

Exemptions from taxes for Federal travelers, and the forms required to claim them, vary from location to location. The GSA Per Diem Rates webpage (*http://gsa.gov/perdiem*) provides more information on State tax exemptions.

§301-11.30 What is my option if the Government lodging rate plus applicable taxes exceeds my lodging reimbursement?

You may request reimbursement on an actual expense basis, not to exceed 300 percent of the maximum per diem allowance. Approval of actual expenses is usually in advance of travel and at the discretion of your agency. (See §301-11.302.)

§301-11.31 Are laundry, cleaning and pressing of clothing expenses reimbursable?

Yes. The expenses incurred for laundry, cleaning and pressing of clothing at a TDY location are reimbursable as a miscellaneous travel expense. However, you must incur a minimum of 4 consecutive nights lodging on official travel to qualify for this reimbursement. Laundry and dry cleaning expenses have not been removed from foreign per diem rates established by the Department of State, or from non-foreign area per diem rates established by the Department of Defense. Separate claims for laundry and dry cleaning expenses incurred in foreign areas and non-foreign areas are not allowed.

§301-11.32 May I be reimbursed for an advanced room deposit in situations where a lodging facility requires the payment of a deposit, prior to the beginning of my scheduled official travel?

Yes, your agency may reimburse you for an advance room deposit, when such a deposit is required by the lodging facility to secure a room reservation, prior to the beginning of your scheduled official travel. However, if you are reimbursed the advance room deposit, but fail to perform the scheduled official travel for reasons not acceptable to your agency, resulting in forfeit of the deposit, you are indebted to the Government for that amount and must repay it in a manner prescribed by your agency.

Subpart B—Lodgings Plus Per Diem

§301-11.100 What will I be paid for lodging under Lodgings-plus per diem?

When travel is more than 12 hours and overnight lodging is required you are reimbursed your actual lodging cost not to exceed the maximum lodging rate for the TDY location or stopover point.

§301-11.101 What allowance will I be paid for M&IE?

(a) Except as provided in paragraph (b) of this section, your allowance is as shown in the following table:

When travel is		Your allowance is
More than 12 but less than 24 hours		75 percent of the applicable M&IE rate.
24 hours or more, on	The day of departure	75 percent of the applicable M&IE rate.
	Full days of travel	100 percent of the applicable M&IE rate.
	The last day of travel	75 percent of the applicable M&IE rate.

(b) If you travel by ship, either commercial or Government, your agency will determine an appropriate M&IE rate within the applicable maximum rate allowable.

§301-11.102 What is the applicable M&IE rate?

For days of travel which		Your applicable M&IE rate is
Require lodging		The M&IE rate applicable for the TDY location or stopover point.
Do not require lodging, and	Travel is more than 12 hours but less than 24 hours.	The M&IE rate applicable to the TDY site or the highest M&IE rate applicable when multiple locations are involved).
	Travel is 24 hours or more, and you are traveling to a new TDY site or stopover point at midnight.	The M&IE rate applicable to the new TDY site or stopover point.
	Travel is 24 hours or more, and you are returning to your official station.	The M&IE rate applicable to the previous day of travel.

Subpart C—Reduced Per Diem

§301-11.200 Under what circumstances may my agency prescribe a reduced per diem rate lower than the prescribed maximum?

Under the following circumstances:

(a) When your agency can determine in advance that lodging and/or meal costs will be lower than the per diem rate; and

(b) The lowest authorized per diem rate must be stated in your travel authorization in advance of your travel.

Subpart D—Actual Expense

§301-11.300 When is actual expense reimbursement warranted?

When:

(a) Lodging and/or meals are procured at a prearranged place such as a hotel where a meeting, conference or training session is held;

(b) Costs have escalated because of special events (e.g., missile launching periods, sporting events, World's Fair, conventions, natural disasters); lodging and meal expenses within prescribed allowances cannot be obtained nearby; and costs to commute to/from the nearby location consume most or all of the savings achieved from occupying less expensive lodging;

(c) Because of mission requirements; or

(d) Any other reason approved within your agency.

§301-11.301 Who in my agency can authorize/approve my request for actual expense?

Any official designated by the head of your agency.

§301-11.302 When should I request authorization for reimbursement under actual expense?

Request for authorization for reimbursement under actual expense should be made in advance of travel. However, subject to your agency's policy, after the fact approvals may be granted when supported by an explanation acceptable to your agency.

§301-11.303 What is the maximum amount that I may be reimbursed under actual expense?

The maximum amount that you may be reimbursed under actual expense is limited to 300 percent (rounded to the next higher dollar) of the applicable maximum per diem rate. However, subject to your agency's policy, a lesser amount may be authorized.

§301-11.304 What if my expenses are less than the authorized amount?

When authorized actual expense and your expenses are less than the locality per diem rate or the authorized amount, reimbursement is limited to the expenses incurred.

§301-11.305 What if my actual expenses exceed the 300 percent ceiling?

Your reimbursement is limited to the 300 percent ceiling. There is no authority to exceed this ceiling.

§301-11.306 What expenses am I required to itemize under actual expense?

You must itemize all expenses, including meals, (each meal must be itemized separately) for which you will be reimbursed under actual expense. However, expenses that do not accrue daily (e.g., laundry, dry cleaning, etc.) may be averaged over the number of days your agency authorizes/approves actual expenses. Receipts are required for lodging, regardless of amount and any individual meal when the cost exceeds $75. Your agency may require receipts for other allowable per diem expenses, but it must inform you of this requirement in advance of travel. When your agency limits M&IE reimbursement to either the prescribed maximum M&IE rate for the locality concerned or a reduced M&IE rate, it may or may not require M&IE itemization at its discretion.

Subpart E—Income Tax Reimbursement Allowance (ITRA), Tax Years 1993 and 1994

General

§301-11.501 What is the Income Tax Reimbursement Allowance (ITRA)?

The ITRA is an allowance designed to reimburse Federal, State and local income taxes incurred incident to an extended TDY assignment at one location.

§301-11.502 Who is eligible to receive the ITRA?

An employee (and spouse, if filing jointly) who was in a TDY status for an extended period at one location, and who incurred Federal, State, or local income taxes on amounts received as reimbursement for official travel expenses.

§301-11.503 Are Federal Insurance Contribution Act (FICA) and Medicare deductions included in any reimbursement under this part?

No. Reimbursement is limited to income taxes.

Employee Responsibilities

§301-11.521 Must I file a claim to be reimbursed for the additional income taxes incurred?

Yes. A claim must be submitted in accordance with your agency's policy.

§301-11.522 If I was assessed an income tax penalty and/or interest payment due to incorrect income tax withholdings, are those payments reimbursable?

Yes, for the total amount of the income tax penalty and/or interest assessed by the IRS for tax years 1993 and 1994 only.

§301-11.523 What documentation must I submit to substantiate my claim?

Your agency will determine what documentation is sufficient. (See §301-11.531.)

§301-11.524 What steps must my agency take to determine my ITRA?

Your agency should:

(a) Determine Federal, State and local marginal tax rates by using the procedures and the marginal tax tables established for the relocation income tax allowance in §302-11.7, §301-11.8, and the appropriate RIT tax table(s) located at *www.gsa.gov/ftrbulletin*; or

(b) Determine reimbursement as calculated in the illustration shown in §301-11.535.

§301-11.525 Is the ITRA I receive taxable income?

Yes. The amount received must be reported as taxable income in the year in which received, but you are eligible to receive an allowance to cover the taxes assessed on the ITRA under §301-11.528.

§301-11.526 May I receive a lump sum payment of the additional tax liability on the covered ITRA in lieu of submitting another claim?

Yes, if agreed to in writing by your agency and with the understanding that you will be responsible for any income taxes due without further reimbursement.

§301-11.527 If I elect a lump sum payment, how is the ITRA paid?

(a) Reimbursement is as illustrated:

Lump Sum ITRA Tax Paid to Employee	
ITRA reimbursement for tax year 1993	$14,435
Federal Tax liability on ITRA Reimbursement (@ 28%)	4,042
VA State tax liability (@ 5.75%)	830
Local tax liability	0
Total reimbursement	19,307

(b) Reimbursement of the ITRA and the tax on the ITRA is a final lump sum payment with no further reimbursement. You will be responsible for any income taxes due on $19,307.

§301-11.528 If I do not elect lump sum payment is there any additional reimbursement?

Yes. You are reimbursed for the tax on the tax reimbursement received. Your agency will calculate the tax on the tax reimbursement using the formulas developed for the Year 2 reimbursements of the relocation income tax allowance (see §302-11.8 of this title).

Agency Responsibilities

§301-11.531 What documentation must the employee submit to substantiate a claim?

You must determine what documentation you require to be submitted with the employee's claim. It can include:

(a) A certified statement as prescribed in §302-17.10 of this title or copies of completed Federal, State and local tax return for the tax year in which the taxes were withheld and paid.

(b) Copies of W-2's and Form 1099's.

(c) Any documentation received from the IRS identifying any interest or penalty payment (tax years 1993 and 1994 only).

(d) Any other documentation necessary to substantiate the claim.

§301-11.532 How should we compute the employee's ITRA?

You should follow the procedures prescribed for the relocation income tax allowance, see §302-11.7, §302-11.8 and the appropriate RIT tax table(s) located at *www.gsa.gov/ftrbulletin* or as illustrated in §301-11.535.

§301-11.533 Are tax penalty and interest payments reimbursable?

Yes, the total amount of any penalty and interest assessed by the IRS (for tax years 1993 and 1994 only) due to the failure of the Government to withhold the appropriate income taxes are reimbursable.

§301-11.534 What tax tables should we use to calculate the amount of allowable reimbursement?

The tax tables for the year the tax was incurred are to be used.

§301-11.535 How should we calculate the ITRA?

(a) Use the documents prescribed in §301-11.531 to calculate the ITRA as follows:

(1) Determine Federal, State and local marginal tax rates by using the procedures and the marginal tax tables established for the relocation income tax allowance in §302-11.7, §301-11.8 and the appropriate RIT tax table(s) located at *www.gsa.gov/ftrbulletin*; and

(2) Add any penalty or interest for tax years 1993 or 1994 only to determine the full ITRA payment; or

(b) As calculated in the following illustration.

Example of calculating an employee's tax return using the marginal tax rate schedules in the state RIT tax table(s) located at *www.gsa.gov/ftrbulletin*:

For Tax Years 1993 or 1994 (Married Filing Joint Return)		
	Original	Recalculated
(1) Adjusted Gross Income (w/ travel reimbursement)	$75,246	$75,246
(2) Subtract travel reimbursement	—	(15,482)
(3) Subtract personal exemptions and itemized or standard deductions	(12,689)	(12,689)
(4) Adjusted taxable income	62,557	47,075
(5) Tax liability on adjusted taxable income:		
(a) Federal	17,516 (28%)	*7,061 (15%)
(b) State, VA (5.75% tax bracket)	3,597	2,707
(c) Local: Not applicable	0	0
(d) Total	21,113	9,768

For Tax Years 1993 or 1994 (Married Filing Joint Return)		
	Original	Recalculated
(6) Difference of total of column 1 minus total of column 2: Additional Taxes Incurred due to travel Reimbursement—$11,345		
(7) Add to the tax difference: (a) Penalty Payment imposed by IRS tax year 1993—1,500 (b) Interest Payment imposed by IRS tax year 1993—1,500		
Total 6 and 7a and b = ITRA—$14,345**		

* Adjusted taxable income places employee in lower tax bracket.
** The ITRA reimbursement is taxable income for the year in which paid at the appropriate Federal, State and local income tax rates.

§301-11.536 Is the ITRA reimbursement considered to be income to the employee?

Yes. The ITRA reimbursement is considered taxable income in the year paid and is subject to tax withholding as any other income.

§301-11.537 Are income taxes to be withheld from the ITRA?

Yes, as determined by your internal tax withholding procedures established for your agency pursuant to IRS procedures.

§301-11.538 May we offer a lump sum payment to cover the income tax liability on the covered ITRA?

Yes, if the employee mutually agrees in writing to the lump sum payment and understands that he/she is responsible for any income taxes without further reimbursement. (See the illustration in §301-11.527.)

§301-11.539 If the employee does not elect a lump sum payment, how is the tax on the ITRA calculated?

The tax on the ITRA reimbursement should be calculated using the Year 2 formulas developed for the relocation income tax allowance. (See §302-11.8.)

§301-11.540 How do we handle any excess payment?

You must collect any excess payments, which includes issuing corrected W-2's or 1099's.

Subpart F—Income Tax Reimbursement Allowance (ITRA), Tax Years 1995 and Thereafter

General

§301-11.601 What is the Income Tax Reimbursement Allowance (ITRA)?

The ITRA is an allowance designed to reimburse Federal, State and local income taxes incurred incident to an extended TDY assignment at one location.

§301-11.602 Who is eligible to receive the ITRA?

An employee (and spouse, if filing jointly) who was in a TDY status for an extended period at one location and who incurred Federal, State, or local income taxes on amounts received as reimbursement for official travel expenses.

§301-11.603 Are Federal Insurance Contribution Act (FICA) and Medicare deductions included in any reimbursement under this part?

No. Reimbursement is limited to income taxes.

Employee Responsibilities

§301-11.621 Must I file a claim to be reimbursed for the additional income taxes incurred?

Yes, a claim must be submitted in accordance with your agency's policy.

§301-11.622 If I was assessed an income tax penalty and/or interest payment due to incorrect income tax withholdings, are those payments reimbursable?

No. The reimbursement of tax penalty and/or interest payment assessed by the IRS is limited by law to tax years 1993 and 1994 only.

§301-11.623 What documentation must I submit to substantiate my claim?

Your agency will determine what documentation is sufficient. (See §301-11.631.)

§301-11.624 What steps must my agency take to determine my ITRA?

Your agency should:

(a) Determine Federal, State and local marginal tax rates by using the procedures and the marginal tax tables established for the relocation income tax allowance in §302-11.7, §302-11.8 and the appropriate RIT tax table(s) located at *www.gsa.gov/firbulletin*; or

(b) Determine reimbursement as calculated in the illustration shown in §301-11.535.

§301-11.625 Is the ITRA I receive taxable income?

Yes. The amount received must be reported as taxable income in the year in which received, but you are eligible to receive an allowance to cover the taxes assessed on the ITRA under §301-11.628.

§301-11.626 May I receive a lump sum payment of the additional tax liability on the covered ITRA in lieu of submitting another claim?

Yes, if agreed to in writing by your agency and with the understanding that you will be responsible for any income taxes due without further reimbursement.

§301-11.627 If I elect a lump sum payment, how is the ITRA paid?

(a) Reimbursement is as illustrated:

Lump Sum ITRA Tax Paid to Employee	
ITRA reimbursement for tax year 1995	$14,435
Federal Tax liability on ITRA Reimbursement (@ 28%)	4,042
VA State tax liability (@ 5.75%)	830
Local tax liability	0
Total reimbursement	19,307

(b) Reimbursement of the ITRA and tax on the ITRA is a final lump sum payment with no further reimbursement. You will be responsible for any income taxes due on $19,307.

§301-11.628 If I do not elect lump sum payment is there any additional reimbursement?

Yes. You are reimbursed for the tax on the tax reimbursement received. Your agency will calculate the tax on the tax reimbursement using the formulas developed for the Year 2 reimbursements of the relocation income tax allowance (see §302-11.8 of this title).

Agency Responsibilities

§301-11.631 What documentation must the employee submit to substantiate a claim?

You must determine what documentation you require to be submitted with the employee's claim. It may include:

(a) A certified statement as prescribed in §302-17.10 of this title or a copy of the employee's completed Federal, State and local tax return for the tax year in which the taxes were withheld and paid.

(b) Copies of W-2's and Form 1099's; and

(c) Any other documentation necessary to substantiate your claim.

§301-11.632 How should we compute the employee's ITRA?

You should follow the procedures prescribed for the relocation income tax allowance, see §302-11.7, §302-11.8 and the appropriate RIT tax table(s) located at *www.gsa.gov/ftrbulletin* or as illustrated in §301-11.535.

§301-11.633 Are tax penalty and interest payments reimbursable?

No. The reimbursement of penalty and/or interest payments assessed by the IRS is limited by law to tax years 1993 and 1994 only.

§301-11.634 What tax tables should we use to calculate the amount of allowable reimbursement?

The tax tables for the year the tax was incurred are to be used.

§301-11.635 How should we calculate the ITRA?

Use the documents prescribed in §301-11.631 to calculate the ITRA as follows:

(a) Determine Federal, State and local marginal tax rates by using the procedures and the marginal tax tables established for the relocation income tax allowance in §302-11.7, §302-11.8 and the appropriate RIT tax table(s) located at *www.gsa.gov/ftrbulletin*, or

(b) As calculated in the following illustration.

Example of calculating an employee's tax return using the marginal tax rate schedules in the state RIT tax table(s) located at *www.gsa.gov/ftrbulletin*:

For Tax Year 1995 and Thereafter (Married Filing Joint Return)		
	Original	Recalculated
(1) Adjusted Gross Income (w/ travel reimbursement)	$75,246	$75,246
(2) Subtract travel reimbursement	—	(15,482)
(3) Subtract personal exemptions and itemized or standard deductions	(12,689)	(12,689)
(4) Adjusted taxable income	62,557	47,075

For Tax Year 1995 and Thereafter (Married Filing Joint Return)		
	Original	Recalculated
(5) Tax liability on adjusted taxable income:		
(a) Federal (28%)	17,516	*7,061 (15%)
(b) State, VA (5.75% tax bracket)	3,597	2,707
(c) Local: Not applicable	0	0
(d) Total	21,113	9,768
(6) Difference of total of column 1 minus total of column 2: Additional Taxes Incurred due to travel Reimbursement—$11,345		
Total = ITRA—$11,345**		

* Adjusted taxable income places employee in lower tax bracket.
** The ITRA reimbursement is taxable income for the year in which paid at the appropriate Federal, State and local income tax rates.

§301-11.636 Is the ITRA reimbursement considered to be income to the employee?

Yes. The ITRA reimbursement is considered taxable income in the year paid and is subject to tax withholding as any other income.

§301-11.637 Are income taxes to be withheld from the ITRA?

Yes, as determined by your internal tax withholding procedures established for your agency pursuant to IRS procedures.

§301-11.638 May we offer a lump sum payment to cover the income tax liability on the covered ITRA?

Yes, if the employee mutually agrees in writing to the lump sum payment and understands that he/she is responsible for any income taxes without further reimbursement. See the illustration in §301-11.627.

§301-11.639 If the employee does not elect a lump sum payment, how is the tax on the ITRA reimbursement calculated?

The tax on the tax reimbursement should be calculated using the Year 2 formulas developed for the relocation income tax allowance. (See §302-11.8.)

§301-11.640 How do we handle any excess payment?

You must collect any excess payments, which includes issuing corrected W-2's or 1099's.

PART 301-70—INTERNAL POLICY AND PROCEDURE REQUIREMENTS

Subpart A—General Policies and Procedures

Authority: 5 U.S.C. 5707; 40 U.S.C. 121(c); Sec. 2, Pub. L. 105-264, 112 Stat. 2350 (5 U.S.C. 5701 note), Office of Management and Budget Circular No. A-126, "Improving the Management and Use of Government Aircraft," revised April 28, 2006, and OMB Circular No. A-123, Appendix B, "Improving the Management of Government Charge Card Programs," revised April 2006.

§301-70.1 How must we administer the authorization and payment of travel expenses?

When administering the authorization and payment of travel expenses, you—

(a) Must limit the authorization and payment of travel expenses to travel that is necessary to accomplish your mission in the most economical and effective manner, under rules stated throughout this chapter;

(b) Should give consideration to budget constraints, adherence to travel policies, and reasonableness of expenses;

(c) Should always consider alternatives, including teleconferencing, prior to authorizing travel; and

(d) Must require employees to use the ETS to process travel authorizations and claims for travel expenses once you migrate to the ETS, but no later than September 30, 2006, unless an exception has been granted under §§301-73.102 or 301-73.104 of this chapter.

Subpart B—Policies and Procedure Relating to Transportation

§301-70.100 How must we administer the authorization and payment of transportation expenses?

You must:

(a) Limit authorization and payment of transportation expenses to those expenses that result in the greatest advantage to the Government;

(b) Ensure that travel is by the most expeditious means practicable.

§301-70.101 What factors must we consider in determining which method of transportation results in the greatest advantage to the Government?

In selecting a particular method of transportation you must consider:

(a) The total cost to the Government, including per diem, overtime, lost worktime, actual transportation cost, total distance of travel, number of points visited, the number of travelers and energy conservation. As stated in 5 U.S.C. 5733, "travel of an employee shall be by the most expeditious means of transportation practicable and shall be commensurate with the nature and purpose of the duties of the employee requiring such travel."

(b) Travel by common carrier (air, rail, bus) is considered the most advantageous method to perform official travel. Other methods of transportation may be authorized as advantageous only when the use of common carrier transportation would interfere with the performance of official business or impose an undue hardship upon the traveler, or when the total cost by common carrier exceeds the cost by another method of transportation. A determination that another method of transportation is more advantageous to the Government than common carrier will not be made on the basis of personal preference or inconvenience to the traveler.

§301-70.102 What governing policies must we establish for authorization and payment of transportation expenses?

You must establish policies and procedures governing:

(a) Who will determine what method of transportation is more advantageous to the Government;

(b) Who will approve any of the following:

(1) Use of business-class service for airlines under §301-10.124 and first-class service for air, rail, and ship under §§301-10.123, 301-10.162, and 301-10.183 of this chapter;

(2) Use of a special-reduced fare or reduced group or charter fare;

(3) Use of an extra-fare train service under §301-10.164;

(4) Use of ship service;

(5) Use of a foreign ship;

(6) Use of a foreign air carrier;

(c) When you will:

(1) Require the use of a Government vehicle;

(2) Allow the use of a Government vehicle; and

(3) Prohibit the use of a Government vehicle;

(d) When you will consider use of a POV advantageous to the Government, such as travel to/from common carrier terminals, or transportation to a TDY location;

(e) Procedures for claiming POV reimbursement;

(f) When you will allow use of a special conveyance (e.g., commercially rented vehicles);

(g) What procedures an employee must follow when he/she travels by an indirect route or interrupts travel by a direct route; and

(h) For local transportation whether to reimburse the full amount of transportation costs or only the amount by which transportation costs exceed the employee's normal costs for transportation between:

(1) Office or duty point and another place of business;

(2) Places of business; or

(3) Residence and place of business other than office or duty point.

§301-70.103 In what circumstance may we authorize use of ship service?

Travel by ship is not generally regarded as advantageous. You must determine that the advantages accruing from the use of ocean transportation offset the higher costs associated with ship travel, *i.e.*, per diem, transportation, and lost worktime.

§301-70.104 What factors should we consider in determining whether to require an employee to commit to the use of a Government automobile?

You should consider:

(a) The advantages of using a Government automobile. Such advantages may include, but are not limited to:

(1) Full utilization or availability of fleet vehicles;

(2) Lower cost;

(3) Official presence.

(b) The type of travel the employee performs. You should require such a commitment when an employee or group of employees requires the use of an automobile for official travel on a frequent or repetitive basis.

§301-70.105 May we prohibit an employee from using a POV on official travel?

No, but if the employee elects to use a POV instead of an alternative form of transportation you authorize, you must:

(a) Limit reimbursement to the constructive cost of the authorized method of transportation, which is the sum of per diem and transportation expenses the employee would reasonably have incurred when traveling by the authorized method of transportation; and

(b) Charge leave for any duty hours that are missed as a result of travel by POV.

Subpart C—Policies and Procedures Relating to Per Diem Expenses

§301-70.200 What governing policies must we establish for authorization and payment of per diem expenses?

You must establish policies and procedures governing:

(a) Who will authorize a rest period;

(b) Circumstances allowing a rest period during prolonged travel (see §301-11.20 for minimum standards);

(c) If, and in what instances, you will allow an employee to return to his/her official station on non-workdays;

(d) Who will determine if an employee will be allowed to return to his/her official station on a case by case basis.

(e) Who will determine in what instances you will pay a reduced per diem rate;

(f) Who will determine, and in what instances, actual expenses are appropriate in each individual case;

(g) If you will define a radius broader than the official station in which per diem or actual expense will not be authorized; and

(h) Who will determine, and in what instances, an employee will be able to claim the full M&IE allowance even though meals are furnished to the employee by the Government, in accordance with §301-11.18(b) and §301-11.18(c).

Subpart D—Policies and Procedures Relating to Miscellaneous Expenses

§301-70.300 How should we administer the authorization and payment of miscellaneous expenses?

You should limit payment of miscellaneous expenses to only those expenses that are necessary and in the interest of the Government.

§301-70.301 What governing policies must we establish for payment of miscellaneous expenses?

You must establish policies and procedures governing:

(a) Who will determine when excess baggage is necessary for official travel;

(b) When you will pay for communications services, including whether you will pay for a telephone call to the employee's home or place where the employee's dependent children are;

(c) Who will determine if other miscellaneous expenses are appropriate for reimbursement in connection with official travel.

Subpart E—Policies and Procedures Relating to Travel of an Employee with a Disability or Special Need

§301-70.400 How should we authorize and administer the payment of additional travel expenses for an employee with a disability or special need?

You should authorize and administer the payment to reasonably accommodate employee(s) with disabilities in accordance with the Rehabilitation Act of 1973, as amended, (29 U.S.C. 701-796*l*) and 5 U.S.C. 3102 and Part 301-13 of this chapter. An employee with a special need should be treated the same as an employee with a disability. You must determine that additional travel expenses are necessary to accommodate the employee's needs.

§301-70.401 What governing policies and procedures must we establish regarding travel of an employee with a disability or special need?

You must establish the policies and procedures governing:

(a) Who will determine if an employee has a disability or special need which requires accommodation, including when documentation is necessary under §§301-10.123, 301-10.124, 301-10.162, and 301-10.183, and when a determination may be based on a clearly visible physical condition; and

(b) Who will determine how to reasonably accommodate the employee and what expenses you will pay.