

## CHAPTER 6

PERMANENT DUTY TRAVEL0601 TRANSPORTATION AND STORAGE OF HOUSEHOLD GOODS (HHG)

Normally, the government will arrange for the shipment of HHG by government bill of lading (GBL), authorize an employee to use the commuted rate, or allow the member a do-it-yourself (DITY) move. When DoD personnel arrange for the shipments and GBL is the authorized method, the TO provides information concerning the traveler's allowable expenditures and computes the amount the shipment would have cost the government. When commuted rate is the authorized method of shipment, payment is based upon the amount computed from the GSA rate schedule. If the TO instructs the traveler to make his or her own arrangements, or if a TO is not available, payment is for actual costs incurred for authorized services. In all other instances, payment is limited to the actual cost incurred, not to exceed the amount it would have cost the government.

060101. Commuted Rate Method. When a DoD employee is authorized to ship HHG by commuted rate, the payment is computed using the GSA rate schedule in effect on the date the carrier picked up the HHG, or the date the employee actually moved them without regard to government cost. The claim is supported by certified weight tickets or a constructive weight determination made and approved in accordance with paragraph C8000, JTR.

060102. DITY Moves. The DITY program is a voluntary program which allows Service members, or a deceased member's next of kin, to move their HHG personally and be paid an amount equal to 80 percent of what it would have cost the government. The TO must authorize or approve a DITY move. In addition, the member must have orders authorizing PCS, TDY (with HHG entitlement), or assignment to or from government quarters. The TO furnishes the member a DD Form 2278 (Application for Do-It-Yourself Move and Counseling Checklist). This form shows the constructive GBL or contract cost for moving the HHG.

A. Impact on other PCS Entitlements. Service members and/or dependents traveling to the destination in the rental vehicle or POC used for DITY move are authorized both DITY and PCS allowances. PCS entitlements are not part of the DITY program and are separately processed.

B. Claims. Claims for DITY moves must be supported by the Service member's statement of expenses actually incurred. In addition, the claim must include either a copy of certified weight tickets (gross and empty) or approved constructive weight by the TO.

(NOTE: No incentive can be computed without valid weight tickets or approved constructive weight by the TO.)

C. Payment Procedures. The servicing disbursing office pays DITY claims and forwards a copy of the claim to the appropriate Service reviewer. Addresses are provided in paragraph 060102, below. Compute the DITY claim as follows:

1. Obtain the GBL cost or local contract cost as provided by the TO.
2. Multiply this cost by 80 percent to obtain the maximum DITY entitlement.
3. Deduct the expenses actually incurred by the Service member from the maximum DITY entitlement. The result is the member's incentive payment.

NOTE: If the actual expenses are more than 90 percent of the maximum gross DITY entitlement, it may be advantageous for the Service member to be reimbursed under the actual expense method. The member would be reimbursed up to 100 percent of what it would have cost the government to move the HHG. Since the member does not receive an incentive payment, no income taxes are withheld from the payment.

4. Multiply the incentive payment by the applicable percent. This amount is withheld for Federal Income Tax (FITW).
5. Deduct the FITW amount from the incentive amount to determine payment due the member.
6. Deduct any advance operating allowance paid to the member.
7. Prepare TD Form W-2, Wage and Tax Statement. Insert the incentive portion of the DITY move payment in the earned income block and insert the FITW withheld in the Federal Income Tax withheld block.

D. Service Addresses for DITY Payments

1. Army. Forward a copy of the claim to DFAS-Indianapolis Center, ATTN: DFAS-IN-TFA (Mail Stop 31), 8899 E. 56th Street, Indianapolis, IN 46249-0601. Indicate the weight shipped with any other record of shipment or storage under the same travel orders. Indicate whether any excess charges are to be collected from the member.
2. Navy. Forward a copy of the claims to the Commanding Officer, Navy Material Transportation Office, 1837 Morris Street, Suite 600, Code 023, Norfolk, VA 23511-3492.
3. Air Force. Forward claims to the Air Force Excess Cost Adjudication Function (ECAAF), Joint Personal Property Shipping Office, San Antonio, TX 78286.

4. Marine Corps. Forward claims to the Commanding General, 470 Marine Corps Logistics Base, Albany, GA 31704-5000.

060103. Reimbursement for Personally Procured Shipment or Storage of HHG

A. Claims. Claims for personally procured shipment or storage of HHGs and baggage are authorized. The claims must include the traveler's certification, as follows: "I certify that this shipment (including drayage, storage, packing, and crating) consisted of household goods and personal effects. These items belonged to me and were used by me (or my dependents) before the effective date of my orders. They were not intended directly or indirectly for any other person or persons or for sale. The following shipments were previously made at government expense under the same travel orders that support this claim. (If no previous shipments, show "NONE".) I certify that I did not request shipment under the DITY or any other program. I further certify that the declared professional books, paper, and equipment belong to me and are necessary in the performance of my official duties."

B. Supporting Documents

1. Statement from the TO on the constructive cost of shipment by GBL, accessorial services, or storage that the charges claimed are reasonable and that the member was instructed to personally arrange the shipment (if applicable).
2. Three copies of all applicable orders.
3. Receipted bills signed by an authorized agent of the company.
4. Copy of time extension certificate, power of attorney, or written authorization.
5. The claimant's statement showing the necessity for any storage over 90 days. (Nonavailability of government storage is not acceptable.)
6. On shipments by van carriers, a certified weight ticket must be furnished. Instead of a weight ticket where charges are based on cubic measure, the owner may obtain a certificate from the carrier stating: "No scale within 10 miles. Shipment used \_ cubic feet of properly loaded van."
7. Packing charges must be itemized to show size, type, and number of containers used with charge for each.
8. Receipts for packing, crating, drayage, unpacking, and uncrating must be itemized and supported with a statement by the TO for the area on availability of government facilities.

9. Costs if TO had performed or procured the services must be shown, (This is not required for accessorial services itemized on a GBL for line-haul van shipment.)

c. Payment Submission. The claim is submitted to the disbursing office servicing the PDS. For DITY moves, the disbursing officer will verify the member's statement or other shipments with a phone call or message to the claimant's losing disbursing office or TO. On the claim form, the name of the person verifying this information, the date it was verified, and the persons and places contacted all will be annotated.

D. Payment. If the claim is proper and is supported by the appropriate documentation, the disbursing office pays the claim.

#### 0602 TRANSPORTATION OF PRIVATELY OWNED VEHICLES

If overseas travel with a POV was concurrent, a traveler must include travel to and from the vehicle port with the PCS travel claim. If not concurrent, a separate claim must be submitted. A TDY order is not required when a separate trip is performed to pick up/deliver the vehicle (the PCS orders provide entitlement). Normally, a DD Form 788 ('Private Vehicle Shipping Document for Automobile) will support the claim. However, when a traveler performs PCS travel and has a commercial shipping firm process the vehicle for shipment at government expense, the DD Form 788 is not usually in the traveler's possession at the time the claim is processed. In those instances, a statement from the traveler, accompanied by a copy of the billing from the commercial firm is acceptable.

#### 0603 TRANSPORTATION OF MOBILE HOMES

060301. General. A DoD employee who ships a TDY weight allowance to a TDY location en route does not lose the right to elect mobile home allowances. The TO determines authorized/unauthorized costs incident to a mobile home shipment.

060302. Claims. The JTR, chapter 10 specifies the forms to be used in paying claims. Additionally, when movement of a mobile home is made by personally procured commercial transportation, a statement of authorization is issued by the TO. An original or legible copy of the paid or unpaid bill from the commercial transporter is required and the bill must be completely itemized to preclude settlement of unauthorized costs.

#### 0604 DISLOCATION ALLOWANCE (DLA)]

DLA is paid based on (a) the Service member's grade and dependency status on the effective date of orders, and (b) whether the dependents relocate incident to the PCS. If a change of grade occurs between the date orders are issued and the effective date of orders, a copy of the promotion/demotion orders may be submitted with the claim versus an amended order. Do not advance or pay DLA to members without dependents in pay grades E-6 (E-4 for USAF) and below without a statement "from the gaining organization that the member is not required to use

government quarters. Members without dependents in the pay grade of E-7 (E-5 for USAF) and above can be advanced or paid DLA based on their statement that government quarters will not be/are not assigned. The movement of a mobile home does not preclude the payment of a DLA.

#### 0605 MISCELLANEOUS EXPENSE ALLOWANCE

The payment of the flat miscellaneous expense allowance does not require receipts or itemized statements. However, when the employee claims actual expenses, the civilian personnel office assists in the determination of the allowable expenses. The statement in C9005, JTR is required either on or accompanying the voucher.

#### 0606 TEMPORARY QUARTERS SUBSISTENCE EXPENSE (TOSE)

The travel orders must authorize the initial TQSE period. Additional periods of TQSE require amended orders. The disbursing office does not determine the number of TQSE days authorized. Expenses must be itemized on a per meal and per item basis. Receipts are required for all expenses as specified in the JTR. Additionally, the employee can claim grocery costs for at-home meals when in a TQSE status. The total cost of consumable groceries will be divided by the number of at-home meals consumed. The proration of groceries is authorized as long as the cost of the groceries consumed is reasonable. The approving official makes the final determination on any question(s) concerning reasonableness of expenses during a TQSE period. Advances and payments for TQSE are based on the provisions of the JTR, chapter 13.

#### 0607 HOUSEHUNTING TRIPS

If authorized in their travel orders, DoD employees may make househunting trips, not to exceed 10 consecutive days. The employee and spouse can travel together or separately; however, the cost cannot exceed one round trip for travel together. The number of days househunting that the employee uses does not limit the number of days for the spouse, (i.e., the employee can take 4 consecutive days and the spouse could still use up to a total of 10 days.) Advances and payment for househunting trips are based on the prescribed per diem rate.

#### 0608 REAL ESTATE TRANSACTIONS

DoD employees can be reimbursed for expenses required for the sale and purchase of a residence, or with the settlement of an unexpired lease in connection with a pcs. The employee must file a DD Form 1705 (Application for Reimbursement of Expenses Incurred by DoD Civilian Employees Upon Sale or Purchase (or Both) of Residence Upon Change of Duty Station). Separate DD Forms 1705 are required for expenses at the old duty station and the new duty station. Copies of the supporting documentation showing costs incurred must be attached. The approval authority must approve the appropriate DD Form 1705 in accordance with Component regulations for real estate transactions at the old and new station. The claim will be submitted according to the JTR, chapter 14.

#### 0609 RELOCATION INCOME TAX ALLOWANCE (RITA)

060901. Entitlement. The RITA entitlement is a two-year, two-process calculation.

A. Year One Withholding Tax Allowance (WTA). The WTA is unestimated partial payment of the final RITA payment designed to cover FITW from the PCS moving expense reimbursement. It is intended to provide an immediate offset to the tax withheld on the payment, and also is subject to withholding. As a result, payment of the WTA allows the employee to receive the same reimbursement had the withholding not been required. To receive the WTA, an employee must agree in writing to repay any excess WTA amount paid in year one. The agreement as specified in C16007-5, JTR may be written on the settlement voucher or may be a separate statement. The statement should read similar to the following: "I agree to repay any excess amount of WTA paid to me in one year and submit the required certified tax information and claim for my RITA within 120 days, unless an extension is granted, after the close of year one. I understand failure to comply with this requirement will preclude payment of the WTA. I also understand that the entire WTA will be considered an excess payment if the RITA claim is not submitted in a timely manner to settle the RITA." Compute the WTA as follows:

1. Determine amount of covered reimbursable expense.
2. Multiply step 1 by .388888 to arrive at the WTA amount.
3. Add the step 2 amount to step 1 to determine the total income subject to tax.
4. Multiply step 3 amount by .28 to determine FITW amount.
5. Subtract step 4 amount from step 3 amount. This is the net payment or net income to the employee.

NOTE Enter the step 3 amount (gross income or income subject to tax) and step 4 amount (FITW) in appropriate blocks on TD Form W-2.

B. Year Two RITA The RITA payment is made in the calendar year following the calendar year in which the WTA is paid. RITA is based on employee's gross compensation, tax filing status, and marginal tax rates. It reconciles the WTA payments with the employee's personal tax liability. The employee must file a claim for RITA; it is not automatic. If an employee does not file for the RITA in year two, the employee is liable for the additional Federal Income Tax incurred as a result of the additional income. The RITA does not cover any moving expense for-which the IRS allows a deduction. In some instances, when an employee files the final RITA claim in the second year, he or she will be in a lesser tax bracket because of lower earned income. If the calculation of the RITA results in a negative amount, do not adjust prior year or current year income. The employee is obligated to repay this amount as a debt due the government. A negative W-2 is not issued.

NOTE: Year two is the calendar year in which the RITA payment is made. The dollar value of the payment will appear on the employee's W-2 as additional income.

060902. Tax withholding. Both the WTA and RITA are subject to FITW and FICA. State and local (if applicable) tax withholding rates also must be considered in the RITA computation but are not to be withheld from the payment to the employee.

060903. Funding. RITA is a PCS travel settlement adjustment therefore, normal prior year funding procedures apply. That is, the reimbursable expenses of an employee transferred in the interest of the government must be charged against the appropriation current when valid travel orders are issued. The organization responsible for the original funding of the move has the responsibility to secure adequate funds for the adjustment vouchers.

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