



UNITED STATES
CIVILIAN BOARD OF CONTRACT APPEALS

March 14, 2023

CBCA 7615-RELO

In the Matter of JOHN S.

John S., Claimant.

Tracey Z. Taylor, Office of Counsel, Humphreys Engineer Center Support Activity, United States, Army Corps of Engineers, Alexandria, VA, appearing for Department of the Army.

DRUMMOND, Board Judge.

Claimant is a civilian employee of the United States Army Corps of Engineers (Government or agency). He disputes a debt assessed by the Government in connection with the storage of his household goods (HHG) during a relocation from Jasper, Texas, to Elberton, Georgia, pursuant to a January 2022 travel order.

The agency paid the storage vendor directly for the HHG cost, calculated the taxes owed by claimant on the storage fee, and requested reimbursement by claimant of \$1061.42. This amount is inclusive of the Federal Income Tax Withholding (FITW), Federal Insurance Contributions Act (FICA) deductions, and Medicare taxes. Collection of these taxes on relocation expense reimbursements is required under the Tax Cuts and Jobs Act (TCJA), effective January 1, 2018, through tax year 2025. *See Jason N. Fischell*, CBCA 6706-RELO, 20-1 BCA ¶ 37,591; GSA Bulletin FTR 18-05 (May 14, 2018). “Federal agencies do not have the authority to waive the applicability of the TCJA.” *Heather E. McBride*, CBCA 6373-RELO, 19-1 BCA ¶ 37,346, at 181,608. As this claim relates to a 2022 travel order, the TCJA applies.

Claimant does not dispute the weight or length of time his goods were stored. He also does not raise any argument as to why these rates should not apply to him or why their

application was improper. There is no evidence that the taxes were miscalculated by the agency. Rather, claimant argues that his tax liability is too high by comparison to a colleague's. The Board does not have the context of claimant's colleague's tax liability, and thus, this reasoning is not persuasive as to why the two tax amounts should have been similar.

Claimant also asserts that the debt should not be collected because he elected to have all necessary taxes deducted before his travel vouchers were distributed. He maintains that the agency made a mistake by not deducting his taxes appropriately. Claimant has pointed to no error in the calculation of the amount to be reimbursed nor presented any evidence that the taxes have already been paid. Regardless of how claimant wanted the taxes to be presented, they must be paid. Claimant's arguments do not alter his tax liability.

Finally, claimant asserts that requiring him to repay the debt will create a financial burden on him. We interpret claimant's assertion as a request to waive his obligation to repay the debt. We do not have authority to waive a debt. *Gwannette M. Claybrook*, CBCA 6594-RELO, 20-1 BCA ¶ 37,554.

The Board denies the claim. Claimant must reimburse the Government \$1061.42. Claimant, however, may be eligible to apply for the relocation income tax allowance (RITA) to recover "the actual tax liability incurred by the employee as a result of their taxable relocation benefits." 41 CFR 302-17.1 (2021) (FTR 302-17.1); *Holly W.*, CBCA 7030-RELO, 21-1 BCA ¶ 37,814.

Jerome M. Drummond
JEROME M. DRUMMOND
Board Judge