



UNITED STATES
CIVILIAN BOARD OF CONTRACT APPEALS

March 14, 2025

CBCA 8199-RELO

In the Matter of JACOB C.

Jacob C., Claimant.

Sarah G. Fishel and James E. Hicks, Office of Chief Counsel, Drug Enforcement Administration, Department of Justice, Springfield, VA, appearing for Department of Justice.

RUSSELL, Board Judge.

Claimant, an employee with the Drug Enforcement Administration (DEA or agency), was relocated by the agency from one state to another state. Agency's Response at 1. In June 2023, claimant signed a service agreement that detailed this relocation and outlined the applicable withholding tax allowance (WTA) and relocation income tax allowance (RITA) policies. *Id.*, Exhibit 1. The service agreement stated:

I understand that a [WTA] is paid when a travel voucher is settled for expenses I have submitted. I further understand that the WTA is paid to offset my federal tax obligations in connection with my relocation. Also, a [RITA] is calculated in the tax year after the year in which the WTA was paid. This RITA is to determine if the WTA was under or overpaid. . . . I agree to repay any excess amount of WTA paid to me immediately upon computation of the RITA voucher or within 30 days of issuance of the indebtedness letter.

Id.

After the relocation, DEA calculated a WTA overpayment in the amount of \$2997.64. Claimant does not allege that the RITA was calculated incorrectly. Instead, claimant argues

that DEA should seek reimbursement of only \$756 because his accountant advised him that this amount was his tax benefit. Claim at 1; Claimant's Supplemental Response. Claimant argues that the agency should seek reimbursement of the remaining \$2241.64 from the Internal Revenue Service. *Id.*

Contrary to claimant's argument, his service agreement is clear that he is responsible for paying any WTA overpayment. Agency's Response, Exhibit 1. Further, the applicable regulation states, "If the RITA calculation . . . results in a negative value (that is, if your agency's calculation shows that it withheld and reported too much money as income taxes), then your agency will report this result to you and will send you a bill for the difference, to repay the excess amount that it sent to the IRS on your behalf as withheld income taxes." 41 CFR 302-17.68(a)(1) (2022) (FTR 302-17.68(a)(1)). This is what DEA did here. Agency's Response, Exhibit 4. Accordingly, consistent with his service agreement and FTR 302-17.68(a)(1), claimant is responsible for reimbursing DEA the total overpayment amount of \$2997.64.

Decision

The claim is denied.

Beverly M. Russell
BEVERLY M. RUSSELL
Board Judge