



Office of the General Counsel

B-255745

April 20, 1994

Ms. Sandra S. Williams
Authorized Certifying Officer
US Department of Agriculture
Office of Finance and Management
National Finance Center
P.O. Box 60000
New Orleans, Louisiana 70160

Your Reference: FSD-1 RJP

Dear Ms. Williams:

This is in response to your letter, dated November 3, 1993, concerning whether the claim of Ms. [redacted] for reimbursement of more than 50 percent of her residence transaction expenses at her new duty station may be paid. For the following reasons, her claim may not be paid.

The record shows that Ms. [redacted], an employee of the Department of Agriculture (USDA), was transferred in the interest of the government, from Eagan, Minnesota, to St. Paul, Minnesota, on May 18, 1992. Since she did not qualify for a fixed-rate mortgage loan with her lender, Ms. [redacted] purchased a new residence with her mother, Ms. [redacted], as a co-signer of the loan, on June 21, 1993. Her mother, who was not a member of her immediate household, agreed to co-sign the loan for financial approval purposes only, and stated that she did not own any financial interest in the property. USDA's further investigation and documents in the record have verified the foregoing. However, both Ms. [redacted] and her mother, Ms. [redacted], were listed on the deed of record as joint tenants. Thus, USDA only allowed Ms. [redacted] 50 percent of her closing costs in accordance with the Federal Travel Regulation, 41 C.F.R. § 302-6.1(c) (1993).

Title 41 C.F.R. § 302-6.1(c) (1993) allows an employee full reimbursement for residence transaction expenses at the new official station only if title to the residence is in the name of the employee alone, or in the joint names of the employee and one or more members of his/her immediate

family, or solely in the name of one or more members of his/her immediate family.

We have consistently held that where an employee holds title to a residence with a person who is not a member of his/her immediate family, as defined by 41 C.F.R. § 302-1.4(f) (1993), the employee may be reimbursed only to the extent of his/her interest in that residence, as determined by the deed of record. See B-253460, Oct. 22, 1993, and B-217936, June 24, 1985, and decisions cited therein. The deed of record in the instant case shows that Ms. only had a 50 percent interest in the residence at her new official duty station, and her mother, who was not a member of her immediate family, held the other 50 percent interest. Accordingly, USDA properly reimbursed Ms. only for 50 percent of her residence transaction expenses and denied her claim for the other 50 percent of residence transaction expenses under 41 C.F.R. § 302-6.1(c) (1993) and our decisions, cited above.

Accordingly, Ms. claim may not be paid.

Sincerely yours,



Robert P. Murphy
Acting General Counsel

B-255745

April 20, 1994

DIGEST

Where, as here, an employee holds title to a residence with a person who is not a member of his/her immediate family, the employee may be reimbursed for residence transaction expenses at his/her new official duty station only to the extent of his/her interest in that residence, as determined by the deed of record.