



United States  
General Accounting Office  
Washington, D.C. 20548

Office of the General Counsel

B-229327

February 12, 1988

Commander Atlantic Division, Naval  
Facilities' Engineering Command  
Norfolk, Va. 23511-6287

Attn: J. Emery Nichols

Dear Mr. Nichols:

This is in response to your letters of November 18, 1987, and January 22, 1988 (your reference number 12570/PCS 241A1), requesting our assistance in determining a transferred employee's percentage of interest in a private residence that is eligible for reimbursement for expenses incurred in the sale of that residence.

Since your request was not submitted as a request for decision accompanied with a voucher payable to a specific person, we will not render a formal decision to you at this time. See 31 U.S.C. §§ 3529 (1982). However, we offer the following information in response to your letter.

According to the information provided, the employee in question and a nondependent individual held concurrent estates in a private residence on October 1, 1986, the date of the employee's notification of transfer. On November 21, 1986, the employee became the sole owner of the residence, and on February 11, 1987, the residence was sold. The question presented for our comment is which date should be used to determine the employee's percentage of interest in the residence for the purpose of reimbursing the employee for expenses associated with the sale of the residence.

One of the prerequisites for reimbursement of real estate expenses, found in 5 U.S.C. § 5724a(a)(4) (1984) and its implementing regulation, paragraph 2-6.1c of the Federal Travel Regulations, FPMR 101-7 (September 1981)(FTR), is that title to the residence must be in the name of the employee alone, or in the joint names of the employee and one or more members of his immediate family, or solely in the name of one or more members of his immediate family. We have consistently held that where an employee holds title to a residence with an individual who is not a member of his immediate family, the employee may be reimbursed only to the extent of his interest in that residence. 64 Comp. Gen. 299 (1985). Further, we have held that the

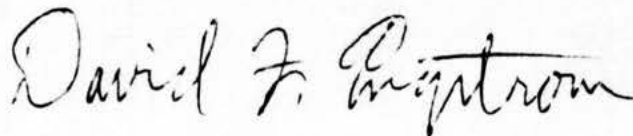
proportional interest in the property held by an employee and/or a member of his immediate family on the date he is officially notified of his transfer is the maximum proportion of real estate expenses that may be reimbursed for the sale of that property.

B-217825, August 2, 1985. However, if at the time of the transfer notice, an employee met the threshold qualification for full reimbursement of real estate expenses as set out in FTR paragraph 2-6.1c above, then the status of title at the time of settlement must also be considered. 64 Comp. Gen. at 301.

Based upon the foregoing information, it would appear that in the present case, the date the employee was notified of his transfer would be used to determine his percentage of interest in the residence.

We trust that this information is responsive to your inquiry.

Sincerely yours,

A handwritten signature in cursive script that reads "David F. Engstrom". The signature is written in dark ink and is positioned above the typed name and title.

David Engstrom  
Deputy Assistant General Counsel