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**The Comptroller General  
of the United States**

Washington, D.C. 20548

## Decision

**Matter of:** Sandra J. Staebell - Real Estate Expenses - Title Requirements  
**File:** B-233992  
**Date:** May 16, 1989

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### DIGEST

The nondependent parents of a transferred employee purchased a residence for the employee's use near her new permanent duty station but held legal title in their names only. The employee may not be reimbursed for her parent's closing costs since legal title to the property was not in the employee's name and since nondependent parents do not qualify under the Federal Travel Regulations (FTR) as members of the employee's "immediate family" for purposes of real estate expense reimbursement.

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### DECISION

This decision is in response to a request from the Acting Chief, Appropriations Branch, National Finance Center, Customs Service, Department of the Treasury. It concerns the entitlement of an employee to be reimbursed certain real estate expenses incident to a permanent change of station. We conclude that the employee may not be reimbursed for real estate expenses incurred by her parents when they purchased a residence at the new duty station on her behalf.

### BACKGROUND

Ms. Sandra J. Staebell, an employee of the Customs Service, was transferred from Miami, Florida, to Norfolk, Virginia. Incident to that transfer, she attempted to purchase a residence near her new duty station, but she could not qualify for mortgage financing. That residence was purchased by her parents, Lloyd C. and Adelaide E. Garner, on August 29, 1986, and titled in their names alone. Ms. Staebell's parents later conveyed title in the property to Ms. Staebell on March 29, 1987, and Ms. Staebell claimed reimbursement for both sets of closing costs. The agency allowed her \$326.80, representing the closing costs she incurred when she acquired title to that residence from her parents, but disallowed reimbursement for the settlement

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costs incurred by her parents. Ms. Staebell has appealed that disallowance.

#### OPINION

We concur with the agency's view. The reimbursement of real estate expenses is governed by 5 U.S.C. § 5724a(a)(4) (Supp. IV 1986) and the implementing regulations.<sup>1/</sup> Paragraph 2-6.1c of the FTR provides, in part:

"c. Title Requirements. The title to the residence or dwelling at the old or new official station . . . 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. . . ."

Thus, the determining factor is whether the property title is in the name of the employee, the employee's spouse or a member of the employee's immediate family. We have held that reimbursement of real estate expenses is limited to the title interest by that class of individuals. James G. Gasque, B-183048, May 13, 1976; James C. Bowers, B-195652, Apr. 1, 1980. See also Gary M. Bria, B-217936, June 24, 1985.

Paragraph 2-1.4d(1)(c) of the FTR defines "immediate family" to include dependent parents, and the criteria of dependency stated in paragraph 2-1.4d(2) is that the parents must receive at least 51 percent of their support from the employee, or the support may be less if they are members of the employee's household.

In the present case, there is no indication that Ms. Staebell's parents were dependent or were members of the employee's household. Since the residence was initially purchased and titled in the names of Ms. Staebell's parents only, she may not be reimbursed for the expenses of that settlement which occurred on August 29, 1986.

As to the later settlement on March 19, 1987, when Ms. Staebell acquired title from her parents, we conclude

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<sup>1/</sup> Federal Travel Regulations (FTR) (Supp. 1, Sept. 28, 1981), incorp. by ref., 41 C.F.R. § 101-7.003 (1987).

that she may be reimbursed those settlement costs, if otherwise proper. Joseph F. Rinozzi, B-206852, Mar. 9, 1983.

*Milton F. Dowler*

**Acting** Comptroller General  
of the United States