



UNITED STATES  
CIVILIAN BOARD OF CONTRACT APPEALS

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September 12, 2018

CBCA 6195-RELO

In the Matter of STEVEN R. KNISPEL

Steven R. Knispel, Reno, NV, Claimant.

James B. Anderton, Chief Financial Officer, Bureau of Indian Affairs, Department of the Interior, Reston, VA, appearing for Department of the Interior.

**CHADWICK**, Board Judge.

Steven R. Knispel, who works for the Bureau of Indian Affairs, timely sought our review of a notice of debt in the amount of \$1036.43 that the Department of the Interior issued to him in May 2018 to recoup what the agency concluded was an overpayment of his relocation income tax allowance (RITA) for tax year 2017. We have discussed the withholding tax allowance (WTA) and the follow-up RITA claim process for relocated employees in, among other decisions, *Ruth C. Rodriguez*, CBCA 5152-RELO, 16-1 BCA ¶ 36,276, and *Eddie D. West*, CBCA 790-RELO, 07-2 BCA ¶ 33,662. Mr. Knispel argues that it was “unfair” and a “new policy” for the agency to calculate his 2017 RITA taking into account “a significant loss” on ranch operations that he reported on Schedules F and SE of his 2017 federal tax return, which he says “lowered [his] adjusted gross income to a[n] amount far below [his] federal salary . . . reflected on [his Form] W-2.”

This was neither a new policy nor unfair. “The purpose of the RITA is to reimburse [relocated employees] for any taxes [they] owe that were not adequately reimbursed [in advance] by the WTA.” 41 CFR 302-17.30(a) (2017). RITA is calculated, after the tax year in question, based on the employee’s “actual taxable income and filing status.” *Id.* The agency properly asked Mr. Knispel to document those facts to claim his RITA. *See* 41 CFR 302-17.63. Once the RITA is calculated, an employee must repay any excess amount that the agency paid the Internal Revenue Service as WTA. 41 CFR 302-17.68(a)(1). Assuming

that the agency's calculation of Mr. Knispel's 2017 RITA from his tax information was accurate (an issue he does not raise and we do not reach), the agency simply billed him for a tax benefit that he previously received in excess of the amount to which he was entitled. Mr. Knispel states that his "RITA reviews for 2015 and 2016 only covered [his] federal salary," and not ranch income or loss. Mr. Knispel does not argue that the agency's use of incomplete gross income information for prior tax years affected the accuracy of its 2017 RITA calculation, but if he believes it might have, or if he wishes to challenge prior RITA determinations, he may raise those issues with the agency separately.

Decision

The claim is denied.

*Kyle Chadwick*

KYLE CHADWICK

Board Judge