

## PART 3: PER DIEM

### 1. General Information

#### A. Definitions

Familiarity with the following terms is helpful in understanding the rules governing per diem:

Term	Definition
Per Diem Allowance	A daily payment instead of reimbursement for actual expenses for lodging, meals, and related incidental expenses. This term is also referred to as subsistence allowance.
Lodgings-Plus Per Diem System	Method of computing per diem allowances for official travel in which the per diem allowance for each travel day is established on the basis of the actual amount the traveler pays for lodging, plus an allowance for meals and incidental expenses (M&IE), the total of which does not exceed the applicable maximum per diem rate for the location concerned.
CONUS	The 48 contiguous States and the District of Columbia.
Non-Foreign Area	The States of Alaska and Hawaii, the Commonwealths of Puerto Rico, Guam, and the Northern Mariana Islands and the territories and possessions of the U.S. (excludes the Trust Territories of the Pacific Islands)
Foreign Area	Any area, including the Trust Territory of the Pacific Islands, situated both outside CONUS and the non-foreign areas.
Locality Rates	Maximum per diem rates prescribed for specific geographic localities within CONUS.
Standard CONUS Rate	Per diem rate prescribed for any location within CONUS that is not included in one of the defined areas for which a specific rate is prescribed. The standard CONUS rate is \$85, comprised of \$55 for lodging and \$30 for M&IE.
Calendar Day	24-hour period beginning 1 second after midnight (reflected in this section as "12:01 a.m.") and ending at 12:00 midnight.

## B. Types of Expenses Covered by Per Diem

The per diem allowance (also referred to as subsistence allowance) is a daily payment for lodging (excluding taxes), meals and related incidental expenses. The per diem allowance is separate from transportation expenses and other miscellaneous expenses and covers **all** charges, including any service charges, where applicable, for:

- Lodging -- includes expenses, except lodging taxes, for overnight sleeping facilities, baths, personal use of the room during daytime, telephone access fee, and service charges for fans, air conditioners, heaters, and fires furnished in rooms when such charges are not included in the room rate. Lodging does not include accommodations on airplanes, trains, buses, or ships. Such cost is included in the transportation cost and is not considered a lodging expense.
- Meals -- expenses for breakfast, lunch, dinner, and related tips and taxes (specifically excluded are alcoholic beverage and entertainment expenses, and any expenses incurred for other persons).
- Incidental expenses related to subsistence, including:
  - Fees and tips given to porters, baggage carriers, bellhops, hotel maids, stewards or stewardesses and others on ships, and hotel servants in foreign countries;
  - Transportation between places of lodging or business and places where meals are taken (personal preference); and
  - Mailing cost associated with filing travel vouchers and payment of government-issued travel charge card billings.

## 2. General Rules Affecting Entitlement to Per Diem

### A. Eligibility

Per Diem should be authorized when an employee performs official travel **away** from the ODS and is in travel status for more than 12 hours. Per Diem is **not** authorized for official travel of 12 hours or less or when travel of over 12 hours is conducted within the established limits of the ODS.

### B. Per Diem Within the Vicinity of the ODS - General Rule

Payment of per diem within the established limits of the ODS is **precluded** by the FTR. Each State office was required to establish the limits of the ODS in accordance with Notice FI-2541, Reimbursing Employees for Official Local Travel, and informing all employees of those limits for official travel purposes.

The following are offered as guidelines for establishing the ODS for CO employees:

- COC or CMC member is the member's home.
- Field office employee is the county office.
- Employees assigned to multiple county offices is the county office where the employee performs the major part of their duties or spends the greater portion of their time.
- Field employees is established by the CED or Division Director (DD), considering the major area of work.

### C. Definition of ODS for National Office Employees

The limits of the ODS for national office employees are as follows:

- For travel within 1 calendar day, per diem shall not be authorized when travel is conducted within a 25-mile radius of either the employee's:
  - ODS, or
  - home (the place from which the employee commutes daily to the ODS).
- For travel of more than 1 calendar day, per diem shall not be authorized when travel is conducted within a 35-mile radius of the employee's ODS.

### D. Meals Taken at the ODS

Employees shall not be reimbursed for meals taken at the ODS. Exceptions to this rule may be granted if a meal is provided as part of:

- an official training session sponsored by the Office of Personnel Management (OPM),
- separate from the meal, the meal is incidental to the meeting and the employee is not free to take the meal elsewhere without missing *essential* formal discussions, or
- a formal meeting or conference that includes substantial functions that take place lectures, or speeches concerning the purpose of the meeting. **This rule is interpreted very strictly.**

Generally, meals at Agency-sponsored events are **not** reimbursable for employees whose ODS is the same as the meeting site.

### 3. Computing Per Diem

#### A. Where Can Per Diem Rates be Found?

- *CONUS* (48 contiguous States and the District of Columbia) per diem rates are established by GSA. These rates change on an annual basis and are published, along with any changes, in the Federal Register. CONUS rates and corrections can also be found on the GSA web site at <http://www.policyworks.gov/perdiem>. (This website also contains direct links to the non-foreign and foreign per diem rates)
- *Nonforeign areas outside CONUS* (Alaska, Hawaii, Puerto Rico, the Northern Mariana Islands and Possessions of the U.S.) per diem rates are established by the Department of Defense and published periodically in the Federal Register and also in Section 925 of the Standardized Regulations. These rates can be found on the PDTATAC website at <http://www.dtic.mil/perdiempdrates/html>. FAS personnel can access these rates on the U:\ drive (Banyan).
- *Foreign area* (any area, including the Trust Territory of the Pacific Islands, situated both outside CONUS and the non-foreign areas) per diem rates are established by the Department of State and published in Section 925 of the Standardized Regulations. If these rates change after travel begins, the traveler will be paid at the changed rate as of the date such new rate becomes effective. Foreign rates are available on the State Department web site at <http://www.state.gov/m/a/als/prdm>.

Rates for specific locations can also be obtained from the TMC.

If established rates for specific geographical localities within CONUS are found to be routinely inadequate, a request in writing should be forwarded to FMD for re-evaluation of these rates. FMD will forward the request to GSA for consideration in their annual review of per diem rates. Requests must contain pertinent lodging and meal cost data.

#### B. What Determines the Per Diem Rate?

The maximum per diem rate is determined by the **TDY location**. If lodging is not available at the TDY location, the approving official may authorize or approve the maximum per diem rate for the location where lodging is obtained.

#### C. When Does Per Diem Entitlement Begin and End?

Per diem entitlement begins when official travel begins. For computing per diem allowances, official travel begins when the employee leaves his or her home, office, or other authorized point of departure (as indicated on the travel authorization) to begin the trip and ends when the employee returns to his or her home, office or other authorized point at the conclusion of the trip. Both departure and return times are based on the standard time in effect at the place where travel begins or ends.

**D. Computing the Lodging Allowance**

When travel is more than 12 hours and overnight lodging is required, an employee is reimbursed for the actual lodging cost not to exceed the maximum lodging rate for the TDY location or stopover point. If lodging is not available at the TDY location, the employee may be authorized the maximum per diem rate for the location where lodging is obtained.

**E. Computing the Meals & Incidental Expense (M&IE) Allowance**

An M&IE allowance of either \$30, \$34, \$38, \$42, \$46, or \$50, depending on the rate authorized for the particular temporary duty site, is allowed. Compute the M&IE allowance for official travel according to the following tables:

When travel is...	The M&IE allowance is...
12 hours or less	Prohibited (see paragraph 2, "General Rules Affecting Entitlement to Per Diem")
More than 12 but less than 24 hours	75% of the applicable M&IE rate
24 hours or more, on:	<ul style="list-style-type: none"> <li>• <u>Day of departure</u>, 75% of the applicable M&amp;IE rate</li> <li>• <u>Full days of travel</u>, 100% of the applicable M&amp;IE rate</li> <li>• <u>Last day of travel</u>, 75% of the applicable M&amp;IE rate</li> </ul>

For days of travel which...	The applicable M&IE rate is...
Require lodging	The M&IE rate applicable for the TDY location
Do not require lodging, and...	
<ul style="list-style-type: none"> <li>• Travel is more than 12 but less than 24 hours</li> </ul>	<ul style="list-style-type: none"> <li>• The M&amp;IE rate applicable to the TDY site (or the highest M&amp;IE rate applicable when multiple locations are involved)</li> </ul>
<ul style="list-style-type: none"> <li>• Travel is 24 hours or more and the employee is traveling to a new TDY site or stopover point at midnight</li> </ul>	<ul style="list-style-type: none"> <li>• The M&amp;IE rate applicable to the new TDY site or stopover point</li> </ul>
<ul style="list-style-type: none"> <li>• Travel is 24 hours or more and the employee is returning to the official station</li> </ul>	<ul style="list-style-type: none"> <li>• The M&amp;IE rate applicable to the previous day of travel</li> </ul>

## 4. Reductions to Maximum Per Diem Rates

### A. M&IE With No Lodging Costs

Employees who incur no lodging costs while in official travel status may be reimbursed transportation expenses to and from a place of free lodging not to exceed the maximum allowable daily lodging cost.

In cases where free lodging is obtained, the employee shall still be authorized the M&IE allowance applicable to the locality.

### B. Lodging With Friends or Relatives

When a traveler obtains lodging from friends or relatives (including members of the immediate family), no part of the per diem payable is allowed for lodging unless the host actually incurs identifiable additional costs in accommodating the traveler. In such instances, any additional cost must be substantiated by the traveler, supported by receipts or canceled checks, and determined to be reasonable by the Agency before a lodging cost will be allowed. Neither costs based on room rates for comparable conventional lodgings in the locality, nor flat "token" amounts, will be considered in determining any additional costs to the host.

### C. Double Occupancy/Sharing a Room

If an employee shares a room with another government employee who is also on official travel, reimbursement is limited to one-half of the double occupancy rate for each employee. Such fact will be shown on the travel voucher with a note that the room was shared with another Federal/county employee. If the person sharing the room is not another government employee on official travel, reimbursement is limited to the single occupancy rate. Identification of the person sharing the room, in this case, is not required.

### D. Deductions from M&IE When Meals are Provided

When meals are provided at nominal or no cost by the Federal Government or are included in registration fees, the M&IE rate must be adjusted according to the following table:

Meal Provided at No Cost to the Federal Government	M&IE Rate					
	\$30	\$34	\$38	\$42	\$46	\$50
Breakfast	\$6	\$7	\$8	\$9	\$9	\$10
Lunch	\$6	\$7	\$8	\$9	\$11	\$12
Dinner	\$16	\$18	\$20	\$22	\$24	\$26

The deductions above are for CONUS travel only.

No deductions are made to M&IE for a meal(s) provided by a common carrier or for a complimentary meal(s) provided by a hotel/motel.

### E. Incidental Expenses When Meals and Lodging are Provided

When there is no charge to the employee for lodging or meals (i.e., lodging and meals are included in the cost of a meeting or training), the employee shall be authorized a flat M&IE rate of:

- \$5 per day for attendance at **residential** training programs such as the Executive Seminar Center, and Federal Executive Institute programs
- \$2 per day, for all other instances

### F. Extended Stays

When travel assignments involve extended periods of more than 30 days at temporary duty locations and travelers are able to secure lodging and/or meals at lower costs, the per diem rate should be reduced accordingly. Generally, a per diem rate of 55 percent of the locality rate should be established for extended stays. If reduced lodgings and/or meals cannot be obtained, a higher rate may be established as justified by anticipated costs. When the per diem rate is adjusted downward, the travel authorization must show the reduced rate. Unless arrangements are made prior to the start of travel, the traveler may be allowed full per diem until long-term accommodations can be found (usually no more than 30 days). If the specific rate is not known at the time the travel authorization is prepared, state that an amended travel authorization will be issued authorizing a lower rate.

The daily lodging rate for lodging obtained on a long-term basis is computed by dividing the total lodging cost by the number of days of occupancy for which the employee is entitled to per diem, provided the cost does not exceed the daily rate of conventional lodging. Otherwise, the daily lodging cost is computed by dividing the total lodging cost by the number of days in the rental period. Reimbursement, including an appropriate amount for M&IE, may not exceed the maximum daily per diem rate for the TDY location.

When an employee rents lodging on a long-term basis, the following types of expenses may be considered part of the lodging cost:

- Rental cost for a furnished dwelling
- If unfurnished, the rental cost of appropriate and necessary furniture and appliances (e.g., stove, refrigerator, chairs, tables, bed, sofa, television, or vacuum cleaner)
- Cost of connecting/disconnecting and using utilities
- Cost of reasonable maid fees and cleaning charges
- Monthly telephone use fee (does not include installation and long-distance call)
- If ordinarily included in the price of a hotel/motel room in the area concerned, the cost of special user fees (e.g., cable TV charges and plug-in charges for automobile head bolt heaters)

**NOTE:** If an employee is assigned to a TDY station for 1 year or more, the IRS considers all travel reimbursements during that period as taxable income. Agency employees, therefore, should **not** be assigned to a temporary duty station for 1 year or more.

## 5. Interruptions of Per Diem Entitlement

### A. Indirect Route or Interrupted Travel

An employee may not be paid extra per diem for extra travel time incurred at the sole convenience/preference of the employee, due to a deviation from the most direct or usually traveled route. Per diem paid may not exceed that which would have been paid had the employee traveled by the direct or usually traveled route.

### B. Return to the ODS for Non-workdays

Employees may be required to return to their ODS for non-workdays when the cost of returning is outweighed by savings in costs or savings as measured by increased efficiency and productivity. These employees are entitled to per diem in the amount allowable for return travel.

When an employee *voluntarily* returns to the ODS or residence for non-workdays, he or she may be reimbursed for round-trip transportation and en route per diem *only*, not to exceed the cost that would have been incurred had the employee remained at the temporary duty station. This travel must be completed outside regular duty hours.

Employees who are on extended temporary duty assignments may be allowed to return to their ODS at intervals of not less than 2 weeks, provided that the temporary duty assignment will continue for at least 5 more full business days after the employee returns to the temporary duty station.

#### For example:

- An employee on a 3-week temporary duty assignment may be authorized to return to the ODS for non-workdays following the second week.
- An employee on a 4-week temporary duty assignment may be authorized to return to the ODS for non-workdays following the second *or* third week.
- An employee on a 5-week temporary duty assignment may be authorized to return to the ODS for non-workdays following the second *and* fourth weeks.

### C. Travel Away from Temporary Duty Station on Non-workdays

An employee on a temporary duty assignment who travels to a location *other* than the ODS or residence on non-workdays may still be paid per diem. However, the employee may **not** claim transportation costs in lieu of the per diem rate authorized for the TDY.

**D. Leave and Non-workdays**

Employees on official business are entitled to reimbursement of per diem for non-workdays (weekend, legal Federal Government holiday, or other scheduled non-workdays) as long as their travel status requires their stay over on the non-workday and the approving official determines that it is cost effective. For example, an employee is on travel through Friday and again starting Monday. The employee will be reimbursed per diem for Saturday and Sunday provided the approving official determines it is cost effective for the employee to stay over at the TDY location.

Taking annual leave, compensatory time, or otherwise entering leave status for one-half, or less, of a workday has no effect on per diem entitlements. However, when annual leave or compensatory time is taken for more than one-half of a workday, the employee is not entitled to per diem (both lodging and M&IE) for that workday. In addition, all leave in excess of 4 hours should be noted on the travel authorization for any day in which it will be taken.

Per diem may not be paid for a non-workday(s) when the employee is:

- in leave status both at the end of the workday before the non-workday(s) and at the beginning of the workday following the non-workday(s); **and**
- the period of leave on either workday is more than one-half of the employee's regularly prescribed working hours for that day.

**For example:**

Employee *A* normally works Monday through Friday from 7:30 a.m. to 4:00 p.m. Employee *A* is sent on a 2-week temporary duty assignment. On Friday afternoon of the first week, the employee takes annual leave at 2:00 p.m.

If the employee returns to work on Monday at...	Per diem ends...	And resumes...
7:30 a.m. (no Monday leave taken)	No effect on per diem entitlements.	
12:30 p.m. (5 hours Monday leave taken)	Friday at midnight	Tuesday at 12:01 a.m.

## **E. Incapacitating Illness or Injury of Employee or Personal Emergency Situations**

Whenever a traveler takes leave of absence of any kind because of illness or injury not due to the traveler's own misconduct, per diem may be continued for periods not to exceed 14 calendar days in any one period of absence unless, under the circumstances, a longer period is approved. Emergency leave requests for both FSA and FAS personnel in travel status must be approved by the appropriate Deputy Administrator or equivalent.

A separate travel authorization will be prepared confirming the approval and specifying the circumstances that caused the emergency travel and the extent to which the government will reimburse the employee. The claim for emergency travel will be on a travel voucher separate from the one prepared for the official travel interrupted due to illness or personal emergency.

Per Diem is not payable where the traveler receives hospitalization and meals or reimbursement for them under any Federal statute. Refer to Part 301-30, Emergency Travel, of the FTR for provisions regarding payment of transportation and per diem under these circumstances.

## **6. Hotel/Motel Fire Safety Act**

### **A. Policy**

The Hotel and Motel Fire Safety Act of 1994 set standards for fire prevention and control in places of public accommodation. The Act requires:

- installation of hard-wired, single-station smoke detectors in each guest room and an automatic sprinkler system in each place of public accommodation that is more than three stories.
- each State to submit to the Federal Emergency Management Agency (FEMA) a list of hotels and motels that comply with the Act. A national master list is published by FEMA in the Federal Register. This list is also available on the following websites:  
*<http://www.usfa.fema.gov/hotel/index.htm>*

Although employees traveling on official business may stay in lodging facilities of their choice, they are strongly encouraged to stay in lodging facilities that have been designated by FEMA as “approved accommodations.” To ensure that they are staying in an approved facility, travelers are encouraged to make lodging arrangements through the TMC.

## B. FPLP

When selecting a commercial lodging facility, first consideration must be given to the commercial lodging facilities contracted by GSA under the FPLP that meet the fire safety requirements, where available, unless one or more of the following conditions exist:

- there are no FPLP facilities under contract within a reasonable proximity of your TDY location
- there are no vacancies at the FPLP facility
- your agency has other contractual arrangements with commercial lodging facilities that meet the FEMA fire safe requirements
- your agency determines on a case-by-case basis that it is not practical to use FPLP facilities to meet mission requirements
- you are attending a conference with prearranged lodging accommodations and to ensure that the set aside rooms are used attendees are required to book lodging directly to the lodging facility
- your travel is to non-foreign area outside CONUS

If a FPLP facility is not available in the location needed, the TMC must provide a list of alternative facilities that meet the FEMA fire safety requirements. Information in regard to FPLP as well as a list of FPLP facilities can be found at: <http://policyworks.gov/fplp>.

## 7. Hotel/Motel Tax Exemption

### A. General Policy

All employees on official business are required to pay applicable lodging taxes unless exempted by State and local jurisdictions. Exemptions from tax for travelers, and the forms required to claim them, vary from location to location. When available, travelers are encouraged to use these tax exemptions on official travel.

### B. Taxing Authorities That Offer Tax Exemptions

A table containing State tax exemption information can be found on GSA's Office of Governmentwide Policy's website at: [www.policyworks.gov/perdiem](http://www.policyworks.gov/perdiem). This table contains a listing of locations that offer specific exemptions to individual travelers, exemption certificates and other information pertaining to tax exemptions. Although many other States, cities, and local municipalities, not listed on this website offer tax exemption certificates, care should be taken in their use since many instances of counterfeit or non-valid certificates have been reported. Employees should also check with their TMC for available information on tax exemption certificates and information.