

OFFICE OF TREASURY INSPECTOR GENERAL
FOR TAX ADMINISTRATION

DATE: July 1, 2004

(600)-70 PERSONNEL

70.18 Reimbursement for Professional Liability Insurance

70.18.1 Nature and Purpose. This section establishes the procedures for managers, management officials, and law enforcement officers to request reimbursement for professional liability insurance (PLI).

PLI protects employees from losses in lawsuits stemming from the performance of their official duties. The Treasury Inspector General for Tax Administration (TIGTA) will reimburse the above-mentioned incumbents 50% of the annual cost of insurance premiums.

70.18.2 Authorities.

Public Law 104-208, Section 636 of the Treasury, Postal Service and General Government Appropriations Act for Fiscal Year (FY) 1997

70.18.3 Reimbursement Computations. Reimbursements will be paid at 50% of the cost of the premiums for the fiscal year, based on one of the following methods:

- Premiums paid by payroll allotment

Reimbursement will be based on 50% of deductions made from first pay period in fiscal year until last pay period in fiscal year.

- Premiums paid directly to insurance carriers

Reimbursement will be prorated based on the premium amount for insurance coverage for the period October 1 through September 30 of each fiscal year.

70.18.4 Requesting Reimbursements. Regardless of whether an employee pays insurance premiums through payroll allotment or directly to an insurance carrier, employees requesting reimbursement for premium payments made for coverage through the end of the fiscal year (i.e., September 30, 20XX) must complete the form, "[Self-Certification of Premiums Paid for Professional Liability Insurance](#)" ([Exhibit 600-70-8](#)), and mail the completed form to the following address:

Bureau of the Public Debt
Attention Human Resources – TIGTA Professional Liability Insurance
200 3rd Street – Avery 2A

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Parkersburg, WV 26101

70.18.5 Due Date for Filing Request for Reimbursement. Employees should submit the Self-Certification of Premiums Paid for Professional Liability Insurance forms to the above address by **September 10 of each year.**

70.18.6 Payment of Reimbursements. Processing of reimbursement payments will begin during the first full pay period of the new fiscal year and will begin to be included in the salary paid to employees for the first full pay period of the new fiscal year; the reimbursements will be reflected in the employee's Leave and Earnings Statement. Reimbursements will continue throughout the year as requests are received.

70.18.7 Taxability of Reimbursements. Reimbursements are considered non-taxable, since they meet the definition of an "accountable plan" under the Internal Revenue Code.

70.18.8 Discontinued Coverage. If coverage is discontinued or an employee separates from TIGTA prior to the renewal date, he/she will reimburse TIGTA 50% of the premium prorated from the date the policy was discontinued or from the effective date of separation.

Managers of separating employees will discuss this requirement with the employees during the Employee Exit Clearance Procedures described in (600) 70.3. Employees who discontinue their PLI coverage will notify their manager who will contact the Bureau of the Public Debt/Administrative Resource Center to begin repayment processing.