

Tips fall into two categories: reimbursable and nonreimbursable.

REIMBURSABLE TIPS

Generally, tips incurred in connection with *transportation* are reimbursable with one exception: tips at common carrier terminals and hotels for handling the employee's luggage and personal effect are included as a part of the M&IE allowance.

A. Taxi and/or airport limousine or shuttle service. FTR § 301-2.3(c)(1) provides that reimbursement **shall be allowed** for the usual taxicab and airport limousine fares, plus tip, between a common carrier or other terminal and either the employee's home or place of business at the official duty station or at a temporary duty point, between the place of business or lodging and the airport and/or the airport limousine terminal.

- Tips. In addition to reimbursement of taxi or limousine fares, the employee will be allowed reimbursement for tips in the amount of 15 percent of the reimbursable fare. [§ 301-3.1(b)]

B. Courtesy transportation (hotel shuttle) services. FTR § 301-2.3(c)(1) provides that available courtesy transportation service furnished by hotels/motels **should be used** by employees to the maximum extent possible as a first source of transportation between place of lodging at the temporary duty point and common carrier terminal.

Reimbursement **shall be allowed** for tips when courtesy transportation service is used.

- Tips for courtesy transportation services. A \$1 to \$2 tip is typical for shuttle drivers, especially where bags are placed on and off the shuttle. (Blair Sarkiss, shuttle driver for the Sofitel Hotel, Chicago, IL) Mary Mitchell, *The Complete Idiot's Guide to Business Etiquette*, tips \$2 for shuttle services. Customarily, \$0.75-\$1 per bag for shuttle service.

C. Tips at terminals (and hotels) for handling Government property. FTR § 301-5.3((d) provides that charges or tips at transportation terminals for handling Government property carried by the traveler **shall be allowed**.

D. Tips for handling baggage for an employee with a disability. Costs incurred as a direct result of the employee's disability for handling baggage in connection with public transportation or at lodging facilities **are payable** to an employee with a disability.

NONREIMBURSABLE TIPS

Tips incurred in connection with *subsistence items* are included in per diem allowances [the M&IE allowance] and are not reimbursable.

A. Tips on meals. The per diem allowance (e.g. the M&IE allowance) covers all charges for breakfast, lunch and dinner plus the related tips and taxes. § 301-7.1(c)(2) and (3).

B. Other travel-related tips. Fees and tips given to porters (at AMTRAK stations), baggage carriers (or skycaps at airports), bellhops, hotel maids, stewards or stewardesses and others on ships, and hotel servants in foreign countries are included as part of the M&IE allowance.

IN A NUTSHELL:

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| • Tips on taxis, airport (shuttle) limousine service or the driver of a (hired) vehicle. | YES | §§ 301-2.3(c)(1) and 301-3.1(b) |
| • Tips to courtesy transportation | YES | § 301-2.3(c)(1) |
| • Tips for handling government government property. | YES | § 301-5.3(d) |
| • Tips incurred in connection with handling baggage for an employee with a disability. | YES | §301-9.2(c)(4) |
| • Tips on meals | NO | § 301-7.1(c)(2) |
| • Tips in connection with checking and/or handling baggage at airports or other terminals. | NO | § 301-7.1c)(3) |