

FSD 16 – Assistance for a Principal Residence	Proposed FSD 16 – Assistance for a Principal Residence
01-06-2003	01-07-2005
<p>Introduction</p> <p>It is the employer's intention to enhance the mobility of an employee by facilitating the acquisition, management and disposal of a principal residence in the headquarters city. Consequently, the employer is prepared to make various specific types of assistance available to an employee to assist with requirements and costs related to a principal residence, for:</p>	<p>Introduction</p> <p>The employer's policy is to make employees more mobile by helping them with expenses related to the acquisition, management and disposal of a principal residence in the headquarters city.</p> <p>The employer is prepared to assist with the following costs related to a principal residence:</p>
(a) expenses/costs associated with permanent accommodation resulting from relocation (formerly FSD 15.27);	(a) expenses/costs associated with permanent accommodation resulting from relocation (formerly FSD 15.27);
(b) a waiver of shelter cost where an employee is subject to dual accommodation/shelter costs while on posting abroad (formerly FSD 25.09);	(b) a waiver of shelter cost where an employee is subject to dual accommodation/shelter costs while on posting abroad (formerly FSD 25.09);
(c) property management fees (formerly FSD 25.09);	(c) property management fees (formerly FSD 25.09);
(d) costs associated with the sale and/or purchase of a principal residence (formerly FSD 16 –Assistance for a Principal Residence);	(d) costs associated with the sale and/or purchase of a principal residence;
as outlined in this directive.	<p>as outlined in this directive.</p> <p>INDEX</p> <p>Introduction</p> <p>16.01 Definitions</p> <p>16.02 Application</p> <p>PART A - EMPLOYEE AS TENANT</p> <p>16.03 Reimbursable Expenses</p> <p>a. Rental Search</p> <p>b. Payment of Rent in Advance</p> <p>c. Termination of Employee's Lease</p> <p>PART B - EMPLOYEE AS HOMEOWNER</p> <p>16.04 Employee Renting out Principal Residence</p> <p>a. Finder's Fee</p> <p>a. Property Management Fees</p> <p>b. Breaking a Tenant's Lease</p> <p>16.05 Assistance - Principal Residence Vacant During Posting</p> <p>a. Waiver of Shelter Cost/Dual-Accommodation Costs</p> <p>b. Maximum Period of Assistance</p>

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	<p>16.18 Cleaning Employee's Residence</p> <p>Appendix A Example - Mortgage Interest Differential Appendix B Example - Calculations Appendix C Example - New location mortgage for period May 1, 1981 to March 1, 1982 (Renewal Date) Appendix D Example - Second application for assistance Appendix E Example - Calculation of Differential</p>
<p><i>headquarters city (ville du bureau principal)</i> means the employee's normal place of duty in Canada as determined by the deputy head at the time the employee is assigned to duty outside Canada and includes any area which, according to local custom, is within commuting distance of the place of duty. For career foreign service employees, the headquarters city is Ottawa-Gatineau; for foreign assignment employees, the headquarters city is normally the employee's previous place of duty in Canada prior to assignment to a post. However, when it is known at the time of the foreign assignment that the employee will not be returning to the former place of duty, the deputy head may establish some other city as the headquarters city for purposes of this directive, e.g. the city in Canada to which the employee will be returning on completion of the assignment, or Ottawa-Gatineau where this was not the employee's normal place of duty in Canada prior to the assignment;</p>	<p>16.01 Definitions</p> <p>In this directive:</p> <p><i>headquarters city (ville du bureau principal)</i> means the employee's normal place of duty in Canada as determined by the deputy head when the employee is assigned to duty outside Canada. It includes any area which, according to local custom, is within commuting distance of the place of duty.</p> <p>For career foreign service employees, the headquarters city is Ottawa-Gatineau.</p> <p>For foreign assignment employees, the headquarters city is normally the employee's previous place of duty in Canada prior to assignment to a post. However, when it is known at the time of the foreign assignment that the employee will not be returning to the former place of duty, the deputy head may establish another city as the headquarters city for purposes of this directive, e.g. the Canadian city to which the employee will be returning on completion of the assignment, or Ottawa-Gatineau where this was not the employee's normal place of duty in Canada prior to the assignment.</p>
<p><i>principal residence (résidence principale)</i> means a single-family dwelling owned by the employee or a dependant as defined in FSD 2.01(j) residing with the employee and which is recorded in the departmental or agency personnel file as the employee's permanent address in the headquarters city. Summer residences or other temporary or seasonal accommodation are excluded by this definition; where the property is co-owned by a person or persons who are not the employee's spouse, common-law partner, or dependant, only that portion of the expenses which are directly proportional to the employee's portion of the property shall be reimbursed; assistance is only available when the employee has established occupancy of the principal residence.</p>	<p><i>principal residence (résidence principale)</i> means a single-family dwelling owned by the employee or a dependant (as defined in FSD 2.01(j)) residing with the employee and which is recorded in the departmental or agency personnel file as the employee's permanent address in the headquarters city.</p> <p>This definition does not include summer residences and other temporary or seasonal accommodation.</p> <p>Where the property is co-owned by a person(s) who is/are not the employee's spouse, common-law partner, or dependant(s), only that portion of the expenses which is directly proportional to the employee's portion of the property shall be reimbursed.</p> <p>Assistance is only available when the employee has established occupancy of the principal residence.</p>

<p>single-family dwelling (<i>logement unifamilial</i>) means living quarters containing the normal amenities necessary for continuous year-round occupancy. The dwelling must be structurally separated and have an entrance or entrances from outside the building or from a common hall, lobby, vestibule or stairway inside the building.</p>	<p>single-family dwelling (<i>logement unifamilial</i>) means living quarters containing the normal amenities necessary for continuous year-round occupancy. The dwelling must be structurally separated and have an entrance or entrances from outside the building or from a common hall, lobby, vestibule or stairway inside the building.</p>
<p>shelter cost (<i>frais de logement</i>) means the amount in Canadian dollars which the employee must pay for shelter for occupancy for Crown-held accommodation or where an employee is in receipt of shelter assistance, in accordance with the provisions of FSD 25 - Shelter.</p>	<p>shelter cost (<i>frais de logement</i>) means the amount in Canadian dollars which the employee must pay to the employer for shelter for occupancy of Crown-held accommodation or where an employee is in receipt of shelter assistance in accordance with the provisions of FSD 25 - Shelter.</p>
<p>16.04 Sections 16.01, 16.05, 16.06, 16.07 and 16.22 apply to foreign assignment employees, and Section 16.01 and Sections 16.08 to 16.22 apply to career foreign service employees, where (...)</p> <p>Guidelines 1 & 2 following Section 16.22</p> <p>1. Employees may claim reimbursement under this directive for real estate and legal fees incurred only while they are employed as career foreign service employees or as foreign assignment employees.</p> <p>2. The provisions of this directive apply only in conjunction with a purchase and/or sale of a principal residence for which real estate and/or legal fees are reimbursed under this directive.</p> <p>Guideline 3 following Section 16.22</p> <p>3. Employees should also be aware that when the employer does not reimburse the costs of sale/purchase related to relocation, these costs may be tax-deductible when filing an income tax return for the calendar year in which the expenditure was incurred.</p>	<p>16.02 Application</p> <p>(a) Unless otherwise indicated, the provisions of this directive apply to both career foreign service employees (rotational) and to foreign assignment employees (non-rotational)</p> <p>(b) Employees may claim reimbursement under this directive for costs and expenses incurred only while they are employed as career foreign service employees or as foreign assignment employees .</p> <p>(c) Unless otherwise indicated, the provisions of this directive apply only in conjunction with a purchase and/or sale of a principal residence for which real estate and/or legal fees are reimbursed under this directive.</p> <p>(d) Employees should also be aware that when the employer does not reimburse costs/expenses of sale/purchase related to relocation, these costs may be tax deductible when filling an income-tax return for the calendar year in which the expenditure was incurred.</p>
<p>Relocation Expenses Related to Permanent Accommodation</p>	<p>PART A - EMPLOYEE AS TENANT</p>
<p>16.02 (d)</p> <p>The deputy head may authorize:</p> <p>(...)</p> <p>(d) reimbursement of the fee charged by a rental agency, to the extent that is reasonable, when an employee engages the services of an agency to assist in finding rental accommodation.</p>	<p>16.03 Reimbursable Expenses</p> <p>(a) Rental Search</p> <p>An employee who engages the services of a rental agency to find rental accommodation on relocation may be reimbursed the actual and reasonable fee charged by that agency.</p>

<p>16.02 (c)</p> <p>(c) reimbursement of</p> <p>(i) up to one month's rent at the employee's new place of duty in Canada; and/or</p> <p>(ii) up to three months' rent at the employee's new place of duty outside Canada,</p> <p>where an employee, who is authorized to relocate, is required to pay rent before reporting for duty in order to hold rental accommodation and the deputy head is satisfied that the arrangement was reasonable and justifiable under the circumstances.</p>	<p>(b) Payment of Rent in Advance</p> <p>An employee who is authorized to relocate and who must pay rent before reporting for duty in order to hold rental accommodation may be reimbursed:</p> <p>(i) up to one month's rent at the new place of duty in Canada; and/or</p> <p>(ii) up to three months' rent at the new place of duty outside Canada.</p> <p>where the deputy head is satisfied that the arrangement was reasonable and justifiable under the circumstances.</p>
<p>16.02</p> <p>(a) payment of the actual expenses to fulfill the terms of the employee's tenancy of leased premises at the old place of duty if satisfactory proof of the necessity and of the inability to effect a less costly arrangement is provided;</p>	<p>(c) Termination of Employee's Lease</p> <p>An employee who is authorized to relocate and must as a result terminate the lease agreement for the principal residence, may be reimbursed the actual expenses incurred to fulfill the terms of the lease. The employee will be required to provide satisfactory proof of the need to terminate the lease and of the inability to effect a less costly arrangement.</p>
<p>Expenses for Vacancy and Management of Principal Residence During Posting</p>	<p><i>PART B - EMPLOYEE AS HOMEOWNER</i></p>
<p>16.03 (b)</p> <p>Finder's Fee</p> <p>(b) Where, following confirmation of posting, an employee engages the services of a real estate or property management firm to locate a first or subsequent tenant and consequently pays a fee based on one month's rent or fraction thereof, the deputy head may waive payment of one month's shelter cost, or fraction thereof, upon presentation of documentation. This waiver shall be limited to a one-month maximum, either to locate a first tenant or a subsequent tenant, but not both, within the ceiling established in Section 16.03(c) regardless of the duration of the lease.</p>	<p>16.04 Employee Renting out Principal Residence</p> <p>(a) Finder's Fee</p> <p>(i) Where, following confirmation of posting, an employee engages the services of a real estate/property management firm to find a first or a subsequent tenant for the principal residence and consequently pays a fee based on one month's rent or fraction thereof, the deputy head may waive payment of one month's shelter cost or fraction thereof, upon presentation of documentation.</p> <p>(ii) This waiver shall be limited to a one-month maximum, to locate a first or a subsequent tenant but not both, within the ceiling established in Section 16.05(b) - Maximum Period of Assistance, regardless of the duration of the lease.</p>

<p>16.03 (d)</p> <p>Property Management Fees</p> <p>(d) An employee may claim reimbursement of actual and reasonable fees charged by a property management firm for managing the employee's principal residence while on posting, including the administrative costs associated with finding a second or subsequent tenant during the employee's absence outside Canada.</p> <p>Instruction 2 following 16.03(d) (last sentence)</p> <p>In the case of property management fees, reimbursement shall be limited to those required for managing the property, including any direct costs incurred by the property management firm for locating a second or subsequent tenant, but excluding charges associated with security, insurance, renovations, repairs, improvements to the property, etc.</p>	<p>(b) Property Management Fees</p> <p>(i) An employee may claim reimbursement of actual and reasonable fees charged by a property management firm for managing the principal residence during a posting outside Canada, including the administrative costs associated with finding a second or subsequent tenant during this posting.</p> <p>(ii) Reimbursement shall be limited to those fees required for managing the property, including any direct costs incurred by the property management firm to find a second or subsequent tenant, but excluding finder's fees and/or charges associated with security, insurance, renovations, repairs, property improvement, etc.</p>
<p>Instruction 2 to 16.03(d)</p> <p>2. Reimbursement of fees under Section 16.03(d) and a waiver of shelter cost as a finder's fee under 16.03(b) relate to costs associated with the use of commercial agencies engaged in real estate rentals and sales and/or property management (...).</p>	<p>Instruction to 16.04(a) and (b)</p> <p>Waiver of shelter cost where a finder's fee has been paid (Section 16.04(a)) and reimbursement of property management fees (Section 16.04(b)) relate to costs associated with the use of commercial agencies engaged in real estate rentals and sales and/or property management (in the case of property management fees).</p>
<p>16.02 (b) (i) & (ii)</p> <p>The deputy head may authorize (...)</p> <p>(b) reimbursement to an employee for actual and reasonable expenses incurred:</p> <p>(i) in breaking a lease agreement with the tenant of the employee's principal residence in the headquarters city, as a result of a decision originating with the employer to reassign the employee to the headquarters city prior to the date of termination of the employee's posting as shown on the Posting Confirmation Form, where an employee wishes to reoccupy such principal residence during the stated term of the lease but is unable to do so; or</p> <p>(ii) in terminating a lease agreement with the tenant of the employee's principal residence in the headquarters city, where an employee wishes to reoccupy such principal residence but is unable to do so as a result of short notice by the employer of confirmation of reassignment to the headquarters city on completion of posting, which prevents the employee from giving the required period of notice to the tenant in accordance with the law of the province of residence.</p>	<p>(c) Breaking a Tenant's Lease</p> <p>An employee who has a lease agreement with the tenant of the principal residence in the headquarters city may be reimbursed for actual and reasonable expenses incurred :</p> <p>(i) Early Reassignment to Headquarters City: in breaking the lease agreement, where the employer decides to reassign the employee to the headquarters city prior to the date of completion of posting shown on the Posting Confirmation Form, and the employee wants to reoccupy the principal residence during the stated term of the lease but is unable to do so; or</p> <p>(ii) Short Notice of Confirmation of Reassignment to Headquarters City: in terminating the lease agreement, where the employer provides short notice of confirmation of reassignment to the headquarters city on completion of posting and as a result the employee cannot give the required period of notice to the tenant, in accordance with the law of the province of residence.</p>

<p>Instructions following 16.02</p> <p>1. In authorizing reimbursement of expenses under Section 16.02(b), the deputy head shall ensure that such expenses are cost-effective relative to alternative accommodation arrangements.</p> <p>2. The intent of Section 16.02(b) is to compensate an employee for expenses incurred as a result of the employer's decision to reassign the employee to the headquarters city for program related reasons. It is not intended to compensate an employee for expenses incurred as a result of an employee's personal choice to return to the headquarters city.</p>	<p>Instructions to 16.04(c)</p> <p>1. In authorizing reimbursement of expenses for breaking a tenant's lease (Section 16.04(c)), the deputy head shall ensure that such expenses are cost-effective relative to alternative accommodation arrangements.</p> <p>2. This section is not intended as compensation for expenses incurred as a result of the employee's personal choice to return to the headquarters city, but rather for expenses incurred as a result a decision originating with the employer to reassign the employee to the headquarters city for program-related reasons, including health.</p>
<p>Guideline 2(a) to Section 16.03</p> <p>2. As clarification of conditions under which the employee's shelter cost may be waived, the following describes dual accommodation costs situations:</p> <p>(a) The employee has homeownership costs but no rental income from a tenant and is also subject to a shelter cost at post;</p> <p>Expenses for Vacancy and Management of Principal Residence During Posting</p> <p>16.03</p> <p>(a) Where an employee is subject to two sets of accommodation costs in situations which involve home ownership in the employee's headquarters city, the deputy head may waive payment of the employee's shelter cost:</p> <p>(i) where, as a result of short notice of posting by the employer, an employee has not had time to rent or sell a principal residence prior to leaving the headquarters city, and the residence is vacant; and/or</p> <p>(ii) where an employee has agreed on short notice to a cross-posting or a posting extension at the request of the employer and as a consequence the principal residence is vacant; and/or</p> <p>(iii) where, through no fault or choice of the employee, the principal residence becomes vacant during the course of the posting and the employee is unable to find a new tenant.</p>	<p>16.05 Assistance - Principal Residence Vacant During Posting</p> <p>(a) Waiver of Shelter Cost / Dual-Accommodation Costs</p> <p>The deputy head may waive the payment of shelter cost in dual-accommodation costs situations, where the employee is subject to shelter cost at post and:</p> <p>(i) has home ownership costs but no rental income from a tenant because:</p> <p>(A) as a result of short notice of posting by the employer, there has not been time to rent or sell the principal residence prior to leaving the headquarters city, and the residence is vacant; and/or</p> <p>(B) at the employer's request, the employee agrees, on short notice, to a cross-posting or a posting extension and as a consequence the principal residence is vacant; and/or</p> <p>(C) through no fault or choice of the employee, during the posting the tenant vacates the principal residence which remains vacant while a new tenant is located.</p> <p>(ii) is receiving a rental income from a principal residence but has paid a real estate or property management firm to locate a tenant as per Section 16.04(a) - Finder's Fee and is also subject to shelter cost at post.</p>

<p>16.03 (c) Waiver of shelter cost under Sections 16.03(a) and (b) above will be limited to the period during which the employee is subject to two sets of accommodation costs but shall not normally exceed nine months in total for each posting, including any posting extension. In the case where an employee is in a "dual accommodation cost" situation during the initial period of a posting or cross-posting, because of short notice given by the employer, waiver of shelter cost shall not normally extend beyond the last day of the ninth month following the month in which the employee receives confirmation of posting or cross-posting. However, where Section 16.03(b) applies, up to one month's waiver of shelter cost may be claimed, within the maximum of nine months, notwithstanding that this waiver may be applied subsequent to the last day of the ninth month following the month in which the employee receives confirmation of posting or cross-posting.</p>	<p>(b) Maximum Period of Assistance</p> <p>(i) Period and Number of Months of Assistance: Waiver of shelter cost under Sections 16.04(a) - Finder's Fee and 16.05(a) - Waiver of Shelter Cost/Dual Accommodation Costs is limited to the period during which the employee is subject to two sets of accommodation costs (dual-accommodation). It shall not normally exceed a total of nine months for each posting, including any posting extension.</p> <p>(ii) Short Notice of Confirmation of Posting: Where, because of short notice given by the employer, an employee is in a "dual-accommodation cost" situation during the initial period of a posting or cross-posting, waiver of shelter cost shall not normally extend beyond the last day of the ninth month following the month in which the confirmation of posting or cross-posting is received.</p> <p>(iii) Finder's Fee Paid: Where Section 16.04(a) - Finder's Fee applies, the employee may claim up to one month's waiver of shelter cost, within the maximum of nine months, notwithstanding that this waiver may be applied subsequent to the last day of the ninth month following the month in which confirmation of posting or cross-posting is received.</p>
<p>Instruction following 16.03 (c)</p> <p>Exceptions to the nine-month limit will not normally be considered. If, however, in exceptional circumstances, as a result of factors outside the employee's control, the employee must continue to maintain the principal residence beyond nine months during the initial period of posting or cross-posting, or there are truly exceptional circumstances, such as a posting extension requested by the employer which places the employee in a situation where it is not possible to rent the principal residence and it remains vacant, these may be reported to the appropriate foreign service interdepartmental co-ordinating committee for consideration for a further maximum period of three months of assistance.</p>	<p>(c) Extensions - Maximum Period of Assistance</p> <p>Exceptions to the nine-month limit will not normally be considered. However, a further maximum period of three months of assistance may be considered by the appropriate foreign service interdepartmental co-ordinating committee:</p> <p>(i) in exceptional circumstances as a result of factors outside the employee's control, where the principal residence must be maintained beyond nine months during the initial period of posting or cross-posting; or</p> <p>(ii) in truly exceptional circumstances, such as an employer-requested posting extension which places the employee in a situation where it is not possible to rent the principal residence and it remains vacant.</p>

<p>Instruction 3 following 16.03(d)</p> <p>3. The provisions of Section 16.03 are available following confirmation of assignment to a post outside Canada, and are available again on cross-posting.</p> <p>Instruction to 16.03(b)</p> <p>This provision is designed to facilitate departmental program requirements as determined by the deputy head of the employing department or to rectify what would otherwise be an obvious injustice to the employee.</p> <p>Instruction 4 following 16.03(d)</p> <p>4. Section 16.03(a)(iii) is designed primarily for those situations where an employee must locate a new tenant in mid-tour because the previous tenant has vacated the principal residence. It is not designed for periods of less than one month that occur immediately prior to the employee's final departure from a post.</p> <p>Instructions 1 following to 16.03(d)</p> <p>1. It is not the intent of these provisions to assist an employee financially who chooses not to rent a principal residence in the headquarters city or to subsidize a loss of rental revenue or income occasioned by circumstances such as placing a property on the market above the market value for sale or rent, as the case may be.</p>	<p>Instructions to Section 16.05</p> <p>1. The provisions of this section are available following confirmation of assignment to a mission outside Canada and are again on cross-posting.</p> <p>2. Section 16.05(a) - Waiver of Shelter Costs/Dual-Accommodation Costs is designed to facilitate departmental program requirements, as determined by the deputy head of the employing department, or to rectify what would otherwise be an obvious injustice to the employee.</p> <p>3. Section 16.05(a)(i)(C) is designed primarily for those situations where an employee must locate a new tenant in mid-tour because the previous tenant has vacated the principal residence. It is not designed for periods of less than one month that occur immediately prior to the employee's final departure from a post.</p> <p>4. Sections 16.05(b)- Maximum Period of Assistance and 16.05(c) - Extensions - Maximum Period of Assistance are not intended to provide financial assistance to an employee who chooses not to lease the principal residence in the headquarters city, nor to subsidize a loss of rental revenue/income resulting from circumstances such as placing a property on the market for sale or rent above the market value.</p>
<p>Guideline 1 to 3 to Section 16.03</p> <p>1. Situations in which a dependant has not joined an employee at a post are governed by the provisions of FSD 15.34 - Family Separation Expenses and FSD 17 - Assistance for spouses and common-law partners.</p> <p>2. As clarification of conditions under which the employee's shelter cost may be waived, the following describes dual accommodation costs situations.</p> <p>(a) the employee has home ownership costs but no rental income from a tenant and is also subject to a shelter cost at post;</p> <p>(b) the employee is receiving a rental income from a principal residence, but has paid a real estate or property management firm to locate a tenant as per Section 16.03(b) and is also subject to a shelter cost at a post.</p>	<p>Guidelines to Section 16.05</p> <p>1. Situations in which a dependant has not joined an employee at a post are governed by the provisions of FSD 15.34 - Family Separation Expenses and FSD 17 - Assistance for Spouses and Common-Law Partners.</p> <p>2. An employee may claim waiver of shelter cost in accordance with Sections 16.04(a) - Finder's Fee, and 16.05(a) - Waiver of Shelter Costs and 16.05 (b) - Maximum Period of Assistance, to a total maximum of nine months, as described in Section 16.05(b).</p>

<p>3. An employee who, on arrival at post, has home ownership costs but no rental income, is subject to shelter cost at post and has also paid a real estate or property management firm to locate a tenant, may claim waiver of shelter cost in accordance with both Section 16.03(a), (b) and (c), to a total maximum of nine months, as described in Section 16.03(c).</p>	
<p>Purchase and Sale of a Principal Residence</p>	<p><i>PART C - PURCHASE AND SALE OF PRINCIPAL RESIDENCE</i></p>
<p>16.04 (...)</p> <p>(a) special provisions apply to career foreign service employees in recognition of the unique circumstances associated with a career in the foreign service; (...)</p> <p>16.08 Subject to Section 16.08(c), and Section 16.22, and the limitations of this directive, and after notification has been received of initial relocation from the headquarters city to a place of duty outside Canada, a career foreign service employee shall have the option, once during a career in the foreign service, of:</p> <p>(a) reimbursement, on one occasion only, of the real estate fees or entitlements in Section 16.15 and legal fees involved in the sale of a principal residence in the headquarters city and, on one occasion only, of the legal fees involved in the purchase of a principal residence in the headquarters city; or</p> <p>(b) reimbursement, on two occasions during th employee’s foreign service career, or the legal fees involved in the purchase of a principal residence in the headquarters city.</p>	<p>16.06 Career Foreign Service Employees (Rotational)</p> <p>(a) These special provisions apply to career foreign service employees in recognition of the unique circumstances associated with a career in the foreign service.</p> <p>(b) After notification has been received of initial relocation from the headquarters city to a place of duty outside Canada, career foreign service employees shall have the option, subject to Section 16.08 - Tax Implications and 16.17 - Relocation Between Canadian Cities and Relocation Between Mission/Canadian City Other than Employee’s Headquarters City and to the limitations of this directive:</p> <p>(i) once during their career in the foreign service, of reimbursement of:</p> <p>(A) the real estate fees (Section 16.09(a)) or the expenses for a private sale (Section 16.14) and legal/notary fees involved in the sale of a principal residence in the headquarters city (Section 16.09(b)); and</p> <p>(B) the legal/notary fees involved in the purchase of a principal residence in the headquarters city (Section 16.09(b));</p> <p>OR</p> <p>(ii) twice during their career in the foreign service, of reimbursement of the legal/notary fees involved in the purchase of a principal residence in the headquarters city (Section 16.09(b)).</p>

<p>16.04(c) on relocation between two Canadian cities or to or from cities in Canada other than an employee's headquarters city, real estate and legal fees shall be reimbursable in accordance with the Relocation Directive.</p>	<p>Guidelines to Section 16.06</p> <ol style="list-style-type: none"> 1. Section 16.06 only applies for relocation between the headquarters city and the mission. See Section 16.17 for Relocation between two Canadian cities, and for Relocation between the mission and a Canadian city other than an employee's headquarters city. 2. While career foreign service employees can access this provision at any time during their foreign service career, and are not limited to the actual time of relocation, this benefit may be taxable in accordance with Section 16.08 - Tax Implications.
<p>16.04 (...)</p> <p>(b) provisions applying to foreign assignment employees are designed to provide assistance similar to that available under the Relocation Directive; and</p> <p>16.05 Subject to Section 16.06, Section 16.08(c) and Section 16.22, and in accordance with the provisions of the Relocation Directive for payment of real estate and legal fees, a foreign assignment employee may, once during a career with the Public Service for all relocations between the headquarters city and posts abroad, commencing from notification of initial assignment abroad, claim:</p> <p>(a) real estate and legal fees on the sale of a principal residence in the headquarters city at the time of a relocation from the headquarters city, and/or</p> <p>(b) legal fees for the purchase of a principal residence in the headquarters city at the time of a relocation to the headquarters city from a post abroad, if the employee had sold a principal residence at the time of relocation from the headquarters city.</p> <p>16.06 Subject to Section 16.07, where seven years or more have elapsed between the foreign assignment employee's return to Canada from an assignment and any future assignment abroad, Section 16.05 shall again apply.</p> <p>16.07 Subject to Section 16.07, a foreign assignment employee who has not taken advantage of this directive and accepts an extension of a tour of duty or a cross-posting, may at the time of that cross-posting/extension claim the provisions of Section 16.05(a).</p>	<p>16.07 Foreign Assignment Employees (Non-Rotational)</p> <p>(a) A foreign assignment employee may claim, once during a career with the Public Service for all relocations between the headquarters city and missions abroad commencing from notification of initial assignment abroad, in accordance with the provisions of the National Joint Council (NJC) Integrated Relocation Directive for payment of real estate and legal/notary fees:</p> <ol style="list-style-type: none"> (i) real estate and legal/notary fees on the sale of a principal residence in the headquarters city, at the time of a relocation from that city; and/or (ii) legal/notary fees for the purchase of a principal residence in the headquarters city from a mission abroad, if the employee had sold a principal residence at the time of relocation from the headquarters city to the mission. <p>(b) This section shall apply again where seven years or more have elapsed between the foreign assignment employee's return to Canada and any future assignment abroad.</p> <p>(c) A foreign assignment employee who has not taken advantage of this directive and accepts an extension of a tour of duty or a cross-posting, may at the time of that extension/cross-posting claim the provisions of Section 16.07(a)(i).</p> <p>(d) Section 16.07 is subject to Section 16.08 (Tax Implications) and Section 16.17 - Relocation Between Canadian Cities and Relocation Between Mission/Canadian City Other than Employee's Headquarters City.</p>

<p>16.08 (c) Canada Customs and Revenue Agency – Taxation has ruled that the reimbursement by the employer of the costs of purchase and sale of an employee’s principal residence is a taxable benefit. Exception is made when the sale or purchase of the residence is related to a relocation necessitated by employment, such as a posting. Consequently, reimbursement of eligible home sale costs following notification of posting to a location outside Canada is exempt from taxation. Home purchase costs are also exempt from taxation when an employee returns to Canada from a posting and purchases a new principal residence to replace the one sold at the time of last posting outside Canada, and</p> <p>(d) Employees who buy/sell at times other than specified above will be reimbursed costs in accordance with the provisions of this directive, however, these will be treated as taxable benefits.</p>	<p>16.08 Tax Implications</p> <p>(a) Canada Revenue Agency has ruled that the reimbursement by the employer of the costs of purchase and sale of an employee’s principal residence is a taxable benefit. Exception is made when the sale or purchase of the residence is related to a relocation necessitated by employment, such as a posting, as follows:</p> <p>(i) Home Sale Expenses: Reimbursement of eligible home sale expenses following notification of posting to a location outside Canada is exempt from taxation.</p> <p>(ii) Home Purchase Expenses: Reimbursement of home purchase expenses is exempt from taxation when an employee returns to Canada from a posting and purchases a new principal residence to replace the one sold at the time of the last posting outside Canada.</p> <p>(b) Employees who buy/sell at times other than specified above will be reimbursed costs in accordance with the provisions of this directive. However, these will be treated as taxable benefits.</p>
<p>Real Estate Fees</p> <p>16.09 Any real estate fee charged by a licensed real estate broker, including GST levied on the payment of such fee, shall be reimbursed, provided:</p> <p>(a) the residence which is sold has been occupied as the principal residence by the employee or a dependant as defined in FSD 2.01(j);</p> <p>(b) the residence was on a lot of a size appropriate to its location, to a maximum of one acre unless otherwise specified by zoning law; and</p> <p>(c) the fee charged by a real estate broker, including multiple listing services (MLS) is within the scale normally charged in the area; premiums paid to real estate agents shall not be reimbursed.</p> <p>Legal Fees</p> <p>16.10 Subject to Section 16.11, legal or notary fees necessarily incurred to provide or obtain clear marketable title to the property, up to the tariff set by provincial bar associations, shall be reimbursed to an employee who makes a legal commitment to buy or sell a principal residence, including GST levied on the payment of such fees, provided:</p>	<p>16.09 Reimbursable Expenses</p> <p>(a) Real Estate Fee</p> <p>The real estate fee charged by a licensed real estate broker, including GST levied on the payment of such fee, shall be reimbursed, provided:</p> <p>(i) the residence which is sold is or has been occupied as the principal residence by the employee or a dependant as defined in FSD 2.01(j);</p> <p>(ii) the residence is on a lot size not in excess of 1.235 acres (1/2 hectare), or where required by zoning laws, a lot size of not more than 4 acres (2.47 hectares); and</p> <p>(iii) the fee charged by a real estate broker, including multiple listing services(MLS) is within the scale normally charged in the area. Premiums paid to real estate agents shall not be reimbursed.</p> <p>(b) Legal or Notary Fees</p> <p>(i) Legal and/or notary fees (including GST levied on the payment of such fees) necessarily incurred to provide or obtain clear marketable title to the property, up to the tariff set by provincial bar associations, shall be reimbursed to an employee who makes a legal commitment to buy or sell a principal residence, provided:</p>

<p>(a) the residence sold qualifies the employee for reimbursement of real estate fees under Section 16.09, and/or</p> <p>(b) the new residence purchased is to be occupied and owned by the employee or occupied by the employee and owned by a dependant residing in the employee's household.</p> <p>16.11 Reimbursement of legal fees arising from the purchase of a principal residence in Section 16.10 shall be made only after the employee has occupied the residence.</p>	<p>(A) the residence sold qualifies the employee for reimbursement of a real estate fee under Section 16.09(a), and/or</p> <p>(B) the new residence purchased is to be occupied and owned by the employee or occupied by the employee and owned by a dependant residing in the employee's household.</p> <p>(ii) reimbursement of legal or notary fees for the purchase of a principal residence shall be made only after the employee has occupied the residence.</p>
<p>16.16 Other reimbursable expenses associated with the sale of an employee's residence or with the purchase of a residence shall be reimbursed on presentation of evidence of payment as follows:</p> <p>(a) Expenses necessary to acquire or provide clear title to the property. Such legal expenses include a sheriff's fee, a land transfer tax, a transfer of deed and/or the cost of a survey if required to confirm the description of the property to be purchased.</p> <p>(b) Fees charged by a qualified structural inspector for one structural inspection prior to purchase of a previously owned dwelling or a new dwelling that is not covered under warranty at the time of possession. Reimbursement is limited to \$300.00.</p> <p>(c) Actual and reasonable fees charged by two certified professional appraisers for two appraisals of the residence to be sold.</p>	<p>(c) Expenses to Acquire or Provide Clear Title: Expenses necessary to acquire or provide clear title to a property shall be reimbursed on presentation of proof of payment. Such expenses include sheriff's fee, land transfer tax, transfer of deed and/or cost of a survey if required to confirm the description of the property purchased.</p> <p>(d) Appraisal and Inspection Fees: On presentation of proof of payment, employees shall be reimbursed the following:</p> <p>(ii) Fees charged by a qualified structural inspector for one structural inspection prior to purchase of a previously owned dwelling or of a new dwelling that is not covered under warranty at the time of possession. Reimbursement is limited to \$300.00.</p> <p>(iii) Actual and reasonable fees charged by two certified professional appraisers for two appraisals of the residence to be sold.</p>
<p>16.16</p> <p>(...)</p> <p>(d) Expenses incurred to dispose of and/or acquire first mortgages related to the employee's residence.</p> <p>(e) Costs related to the termination or acquisition of a second mortgage. These are only reimbursable when there are no costs associated with the termination of a first mortgage on the sale of a principal residence, or with the acquisition of a first mortgage on the purchase of a principal residence.</p>	<p>16.10 Mortgage and Associated Costs</p> <p>The following expenses are reimbursable, on presentation of evidence of payment:</p> <p>(a) First Mortgage - Termination/Acquisition: Costs related to the termination and/or acquisition of a first mortgage for the employee's principal residence.</p> <p>(b) Second Mortgages - Termination/Acquisition: Costs related to the termination or acquisition of a second mortgage for the principal residence, if there are no costs associated with the termination of a first mortgage on the sale of a principal residence, or with the acquisition of a first mortgage on the purchase of a principal residence.</p>

<p>16.19 An employee who is obliged to pay a mortgage default insurance premium and/or an insurance processing fee may be reimbursed these costs, upon the presentation of proof of payment, if:</p> <p>(a) the employee was previously a homeowner;</p> <p>(b) the need for the insurance is verified (employee's equity is less than 25 per cent of the cost of the house); and</p> <p>(c) the premium is levied in one payment;</p> <p>except that, if the equity in the former residence is not transferred fully to the new residence, any resulting increase in the premium (or the levying of the premium) shall not be reimbursed.</p>	<p>(c) Mortgage Default Insurance Premiums/Insurance Processing Fee: Mortgage default insurance premium and/or an insurance processing fee, if:</p> <p>(i) the employee was previously a homeowner;</p> <p>(i) the need for the insurance is verified (employee's equity is less than 25 per cent of the cost of the house); and</p> <p>(ii) the premium is levied in one payment;</p> <p>except that, if the equity in the former residence is not transferred fully to the new residence, any resulting increase in the premium (or the levying of the premium) shall not be reimbursed.</p>
<p>16.20</p> <p>(a) If the employee's first mortgage in the new principal residence is a higher-interest mortgage than the previous first mortgage, the employee shall be reimbursed the difference in the interest charges between the two mortgages, based on the amount of the mortgage and the unexpired term of the previous mortgage, up to a maximum period of 5 years, and up to a maximum of \$5,000. If the new mortgage principal is for a lesser amount than the previous mortgage principal, that lower mortgage principal will be used to calculate the differential.</p>	<p>(d) Higher-Interest New Mortgage: Where the first mortgage in the new principal residence is a higher-interest mortgage than the previous first mortgage, the employee shall be reimbursed the difference in the interest charges between the two mortgages, based on the amount of the mortgage and the unexpired term of the previous mortgage, up to a maximum period of 5 years, and up to a maximum of \$5,000. If the new mortgage principal is for a lesser amount than the previous mortgage principal, that lower mortgage principal will be used to calculate the differential.</p>
<p>16.20</p> <p>(b) This provision is intended to assist employees who purchase homes at a time when mortgage interest rates are high. At a time of relatively low interest rates, when employees voluntarily enter into mortgages at interest rates higher than rates currently offered by mortgage lending institutions (e.g., taking over a vendor's high interest mortgage), the reimbursement shall be limited to costs which would have been incurred had the employee entered into a mortgage at current interest rates. (...) (See below)</p> <p>Instruction to Section 16.20</p> <p>16.20(b) (...) Mortgage interest differential payments are no longer considered as taxable income when incurred as a result of an employment-related relocation. mortgage.</p> <p>Examples of mortgage interest differentials and related calculations are contained in the appendices to this directive.</p>	<p>Instructions to Section 16.10</p> <ol style="list-style-type: none"> Section 16.10(d) - Higher-Interest New Mortgage is intended to assist employees who purchase homes when mortgage interest rates are high. When interest rates are relatively low, where an employee voluntarily enters into a mortgage at an interest rate higher than rates currently offered by mortgage lending institutions (e.g.: taking over a vendor's high interest mortgage), reimbursement shall be limited to costs which would have been incurred with a mortgage at current interest rates. Mortgage interest differential payments are not considered taxable income when incurred as a result of an employment-related relocation mortgage. Examples of mortgage interest differentials and related calculations are contained in the appendices to this directive. They are included for information purposes only.

<p>16.21 Expenses related to financial arrangements resulting from the acquisition or disposal of a principal residence (for example, mortgage finder's fees and adjustments on closing, such as municipal taxes) are not essential to establishing clear title to the property. These are voluntary arrangements made by the employee and are not reimbursable. As well, GST on newly-built homes is not reimbursed.</p> <p>16.17 (a) If an employee who qualifies for the reimbursement of real estate and legal fees must terminate the first mortgage on the sale of a residence, and is required to pay a first mortgage repayment penalty, the employee shall, on presentation of proof of payment, be reimbursed the amount of the penalty payment not to exceed six months's mortgage interest.</p> <p>(b) The amount of reimbursement authorized under Section 16.17(a) shall be adjusted to correspond to the relevant provisions of the Relocation Directive as amended from time to time.</p>	<p>16.11 Other Financial Arrangements</p> <p>(a) Voluntary Arrangements: Expenses related to financial arrangements resulting from the acquisition or disposal of a principal residence (e.g.: mortgage finder's fees and adjustments on closing, such as municipal taxes) are not reimbursable, as they are not essential to establishing clear title to the property.</p> <p>(b) Goods and Services Tax: GST on newly-built homes is not reimbursed.</p> <p>(c) First Mortgage Repayment Penalty: On presentation of proof of payment, an employee who qualifies for the reimbursement of real estate and legal/notary fees but who must pay a first mortgage repayment penalty upon termination of the first mortgage on the sale of a residence, shall be reimbursed the amount of the penalty payment in an amount not exceeding six months's mortgage interest.</p> <p>(d) Amount of Reimbursement: The amount of reimbursement authorized under Section 16.11(c) - First Mortgage Repayment Penalty shall be adjusted to correspond to the relevant provisions of the National Joint Council (NJC) Integrated Relocation Directive as amended from time to time.</p>
<p>16.18 If the employee obtains a short-term personal loan to purchase a principal residence while the former principal residence remains unsold, that employee shall be reimbursed the interest for the bridging loan at the current bank interest rate and the necessary legal and administrative fees associated with the loan excluding third-party fees charged which may be incurred in obtaining such a loan. Where an employee is unable to obtain a short-term personal loan, the interest, as well as the legal and administrative costs, will be reimbursed for a mortgage secured for the same purposes, provided that these costs do not exceed those associated with a short-term personal loan as described above. The amount of this loan or mortgage on which interest is reimbursable shall not exceed the employee's equity in the unsold principal residence. (Equity is based upon the difference between the appraised value and the existing mortgages on the principal residence.). Such reimbursement shall cease within ten working days following the date the sale transaction is completed ("sold and closed" in real estate terms) or at the end of six months, whichever is the earlier. (This period may be extended in unusual circumstances, with the approval of the deputy head or a delegated senior officer, for an additional six months.) Reimbursement shall be made only following submission of proof that the interest has been paid and shall be based on evidence of the amount of the loan or mortgage that was used to purchase a principal residence, i.e., a copy of the purchase and sale agreement. Assistance under this section is available once per career, in conjunction with either a</p>	<p>16.12 Bridging Loan</p> <p>(a) Short-Term Personal Loan: An employee who obtains a short-term personal loan to purchase a principal residence while the former principal residence remains unsold, shall be reimbursed:</p> <ul style="list-style-type: none"> (i) the interest for the bridging loan at the current bank interest rate; and (ii) the necessary legal/notary and administrative fees associated with the loan, excluding third-party fees charged which may be incurred in obtaining such a loan. <p>(b) Mortgage in-lieu-of Short-Term Personal Loan: Where an employee is unable to obtain a short-term personal loan, the interest as well as the legal/notary and administrative costs will be reimbursed for a mortgage secured for the same purposes, provided that these costs do not exceed those associated with a short-term personal loan as described above.</p> <p>(c) Amount of Loan/Mortgage: The amount of the loan or mortgage on which interest is reimbursable shall not exceed the employee's equity in the unsold principal residence. Equity is based upon the difference between the appraised value and the existing mortgages on the principal residence.</p> <p>(d) Reimbursement Deadline: Reimbursement shall cease within ten working days following the date the sale transaction</p>

purchase or a sale of a principal residence for which real estate and/or legal fees are reimbursed under this directive.

Instruction 3 to 16.22

3. Advances given to cover reimbursable expenses should be issued only when needed. In acquiring a bridging loan, the employee should establish a line of credit and borrow up to the full amount of the bridging loan available under the policy on an "as-needed" basis. The Crown would then pay for interest only for the periods for which the amounts would actually be required.

is completed ("sold and closed" in real estate terms) or at the end of six months, whichever is the earlier. In unusual circumstance, the deputy head or a delegated senior officer may extend the reimbursement period for an additional six months.

(e) Conditions of Assistance: Reimbursement shall be made only following submission of proof that the interest has been paid and shall be based on evidence of the amount of the loan or mortgage that was used to purchase a principal residence (e.g.: copy of the purchase and sale agreement). Assistance under this section is available once per career, in conjunction with either a purchase or a sale of a principal residence for which real estate and/or legal/notary fees are reimbursed under this directive.

(f) Advances: Advances for reimbursable expenses should be issued only when needed. In acquiring a bridging loan, the employee should establish a line of credit and borrow, on an as-needed basis, up to the full amount required for the bridging loan. The Crown would then pay for interest only for the periods for which the amounts are actually required.

16.12 If land or acreage above the limit prescribed in Section 16.09(b) is bought or sold with a principal residence, the employee may be reimbursed only for that portion of the costs which would result from the sale of the residence, together with a lot (to a maximum of one acre, unless otherwise specified by zoning law) on which the residence is situated.

16.13 If the employee owns a multiple-unit residence building within which each unit is self-contained (e.g.: a duplex or an apartment block), occupies one unit as a principal residence and sells the building, only those parts of the costs related to the unit used as a principal residence may be reimbursed. The relationship this unit bears to the entire building may be calculated on the floor area, or by any other method accepted under the *Income Tax Act*.

16.14 If the employee buys or sells income-producing property (such as a small store or confectionery) in which the employee maintains or has maintained a principal residence, reimbursement shall be limited to that portion of the costs that the principal residence bears to the total.

16.13 Unusual Properties

(a) Land or Acreage Above Prescribed Limit: The reimbursement of expenses in this Directive is limited to a lot size not exceeding 1.235 acres/1/2 hectare, or where required by zoning laws, a lot size of not more than 4 acres/2.47 hectares. When an employee buys or sells land or acreage as a parcel with the principal residence, the employee shall only be reimbursed for that portion of the cost which results from the sale of the residence together with the lot size limitations as indicated above.

(b) Multiple-Unit Residence Building: If the employee owns a multiple-unit residence building within which each unit is self-contained (e.g.: a duplex or an apartment block), occupies one unit as a principal residence and sells the building, only those parts of the costs related to the unit used as a principal residence may be reimbursed. The relationship this unit bears to the entire building may be calculated on the floor area, or by any other method accepted under the *Income Tax Act*.

(c) Income-Producing Property: If the employee buys or sells an income-producing property (such as a small store or confectionery) in which the principal residence is or has been maintained, reimbursement shall be limited to that portion of the costs that the principal residence bears to the total.

<p>16.15 Should the employee decide to sell the principal residence privately, thereby incurring expenses for an appraisal, for advertising in local newspapers and for the purchase or production of “for sale” signs, the cost shall be reimbursed, in lieu of and not exceeding local real estate multiple-listing service (MLS) charges, on presentation of evidence of payment and proof that the residence has been sold, that the conditions listed in Section 16.09 have been met and that the property has been advertised until sold. (There may be brief interruptions).</p>	<p>16.14 Private Sale</p> <p>Where the employee decides to sell the principal residence privately, the expenses incurred for an appraisal, for placing advertisement in local newspapers and for the purchase or production of “for sale” signs shall be reimbursed, in lieu of and not exceeding local real estate multiple-listing service (MLS) charges, on presentation of evidence of payment and proof that:</p> <ul style="list-style-type: none"> (a) the residence has been sold; (b) the residence is or has been occupied as the principal residence by the employee or a dependant as defined in FSD 2.01(j); (c) the residence is on a lot size not in excess of 1.235 acres (1/2 hectare), or where required by zoning laws, a lot size of not more than 4 acres (2.47 hectares); and (d) the property has been advertised until sold (there may be brief interruptions).
<p>Instruction 2 to Section 16.22</p> <p>2. Construction of a new principal residence. An employee who constructs a principal residence shall be reimbursed those expenses related to the purchase of the land and the construction of the home that would have been reimbursed had the employee purchased a home.</p>	<p>16.15 Construction of New Principal Residence</p> <p>An employee who constructs a principal residence shall be reimbursed those expenses related to the purchase of the land and the construction of the home that would have been reimbursed had a home been purchased.</p>
<p>Instruction 1 to Section 16.22</p> <p>1. In the case of employee-couples, only one employee may claim under this directive:</p> <ul style="list-style-type: none"> (a) unless each employee has already claimed real estate and legal fees prior to becoming an employee-couple, in which case there is no entitlement; or (b) unless the employees were married following notification of posting, in which case each eligible employee may claim real estate and legal fees on the sale of a principal residence and one eligible employee may claim legal fees on the purchase of a principal residence; and (c) in the event of divorce, each employee shall revert to single status and shall retain any unused entitlement to payment of real estate and legal fees on the sale and/or purchase of a principal residence; where real estate and/or legal fees have been claimed by an employee-couple, the employee who made the claim would have used the entitlement and may not make a subsequent claim. 	<p>16.16 Employee-Couples</p> <ul style="list-style-type: none"> (a) Who May Claim: Only one employee of an employee-couple may claim under this directive unless: <ul style="list-style-type: none"> (i) each employee has already claimed real estate and legal/notary fees prior to becoming an employee-couple, in which case there is no entitlement; or (ii) the employees were married following notification of posting, in which case: <ul style="list-style-type: none"> (A) each eligible employee may claim real estate and legal/notary fees on the sale of a principal residence; and (B) one eligible employee may claim legal/notary fees on the purchase of a principal residence. (b) Divorce: In the case of divorce, each employee shall revert to single status and shall retain any unused entitlement to payment of real estate and legal/notary fees on the sale and/or purchase of a principal residence. Where real estate and/or legal/notary fees have been claimed by an employee-

	<p>couple, the employee who made the claim has used the entitlement and may not make a subsequent claim.</p>
<p>16.22 Subject to Section 16.08(c):</p> <p>(a) For relocations between a post and a city in Canada other than the employee's headquarters city, or for relocations between cities in Canada, the limitations of Sections 16.06 and 16.09 16.08 shall not apply and reimbursement of real estate and legal fees shall be as provided for in the Relocation Directive. In situations where the employee's principal residence is in the headquarters city, reimbursement shall be made for real estate and legal fees associated with the sale of that principal residence notwithstanding the fact that the employee had not been occupying that residence at the time of relocation.</p> <p>(b) For the purpose of Section 16.22 (a), assignments in Canada must be for a period in excess of three years, as confirmed in writing on the Posting Confirmation Form (or similar document) but assignments outside Canada are as determined by the deputy head. An employee may consequently claim expenses under this directive in connection with the sale of a principal residence in Canada, which has been occupied for a period in excess of three years in a city other than the headquarters city, on relocation to a post outside Canada, notwithstanding that the assignment outside Canada may be for a period of less than three years. In claiming expenses in connection with the purchase of a principal residence in Canada under this section, the period of assignment must be in accordance with the Relocation Directive. As of June 1, 2003, this is a period in excess of three years.</p>	<p>16.17 Relocation Between Canadian Cities and Relocation Between Mission/Canadian City Other than Employee's Headquarters City</p> <p>(a) Subject to Section 16.08 - Tax Implications, the limitations of Section 16.06(b) - Career Foreign Service Employees (Rotational) and of Section 16.07(a) and (b) - Foreign Assignment Employees (Non-Rotational) shall not apply for relocations between Canadian cities, and for relocations between the mission and a Canadian city other than the employee's headquarters city.</p> <p>(b) For the purpose of Section 16.17(a):</p> <p>(i) an assignment in Canada must be for a period of more than three years, as confirmed by the Posting Confirmation Form (or similar document); and</p> <p>(ii) assignments outside Canada are as determined by the deputy head.</p> <p>(c) Relocations between the mission and a Canadian city other than the employee's headquarters city shall be subject to FSD 15 - Relocation and to this directive (FSD 16 - Assistance for a Principal Residence).</p> <p>(d) Sale of Principal Residence: On relocation to a mission, an employee may claim expenses for the sale of a principal residence which has been occupied for a period of more than three years in a Canadian city other than the headquarters city, notwithstanding that the assignment outside Canada may be for a period of less than three years.</p> <p>(e) Purchase of Principal Residence: When claiming expenses related to the purchase of a principal residence on relocation from a mission to a Canadian city other than the employee's headquarters city, the period of assignment must be in accordance with the National Joint Council (NJC) Integrated Relocation Directive. As of June 1, 2003, this is a period in excess of three years.</p> <p>(f) Relocations between Canadian cities shall be subject to the National Joint Council (NJC) Integrated Relocation Directive.</p> <p>(g) In applying the National Joint Council (NJC) Integrated Relocation Directive, where the principal residence is in the headquarters city, real estate and legal/notary fees associated with its sale shall be reimbursed even if the residence had not been occupied by the employee at the time of relocation.</p>

<p>16.02 The deputy head may authorize:</p> <p>(...)</p> <p>(e) Reimbursement of the cost of professional cleaning of the employee's residence, after the household effects have been loaded, up to a maximum of \$100., upon production of receipts.</p>	<p>16.18 Cleaning of Employee's Residence</p> <p>Upon production of (a) receipt(s), the employee may be reimbursed up to a maximum of \$100.00 for the cost of professional cleaning of the residence after the household effects have been loaded.</p>
<p>Appendix A Example, Mortgage Interest Differential</p> <p>Appendix B Calculations</p> <p>Appendix C New location mortgage for period May 1, 1981 to March 1, 1982 (Renewal Date)</p> <p>Appendix D Second application for assistance</p> <p>Appendix E</p>	<p><i>(Titles of Appendices have been slightly modified)</i></p> <p>Appendix A Example - Mortgage Interest Differential</p> <p>Appendix B Example - Calculations</p> <p>Appendix C Example - New location mortgage for period May 1, 1981 to March 1, 1982 (Renewal Date)</p> <p>Appendix D Example - Second application for assistance</p> <p>Appendix E Example - Calculation of Differential</p>