



# ACEC/MA HR Forum

## Remote Work: Issues and Considerations for Employers

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# DGC FIRM OVERVIEW

**At DGC, our professional curiosity drives everything we do — how we work; how we advise; how we partner with and seek out value for our clients.**

- ▶ Regional firm with over 180 employees including 22 Partners, many with Big 4 experience
- ▶ Offices in Boston and Woburn
- ▶ Significant Partner and Principal involvement in engagements
- ▶ Service privately-held businesses, their owners, and high net worth individuals
- ▶ Tax, Assurance, IT Risk and Business Advisory including forensic accounting, litigation support, valuation, arbitration, and transaction advisory services
- ▶ Robust A&E Practice
- ▶ Access to global network through membership in Moore Global Network Limited

# WELCOME



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The background features a low-angle, upward-looking view of several skyscrapers against a bright, slightly cloudy sky. A semi-transparent green horizontal band is overlaid across the middle of the image, serving as a backdrop for the text.

# Remote Employees Withholding & Personal Income Tax

# CONVENIENCE OF THE EMPLOYER TEST

- ▶ Compensation is sourced to the employer's location where the employee is considered to be based, unless the arrangement is for the employer's necessity
- ▶ Connecticut, Delaware, Nebraska, and New York



# MASSACHUSETTS GUIDANCE

- ▶ Massachusetts TIR 20-10 – COVID-19 guidance on remote employees

“Until the earlier of December 31, 2020, or 90 days after the state of emergency in Massachusetts is lifted, all compensation received for services performed by a non-resident who, immediately prior to the Massachusetts COVID-19 state of emergency was an employee engaged in performing such services in Massachusetts, and who began performing services from a location outside Massachusetts due to a Pandemic-Related Circumstance, will continue to be treated as Massachusetts source income subject to personal income tax under M.G.L. c. 62 and personal income tax withholding.”

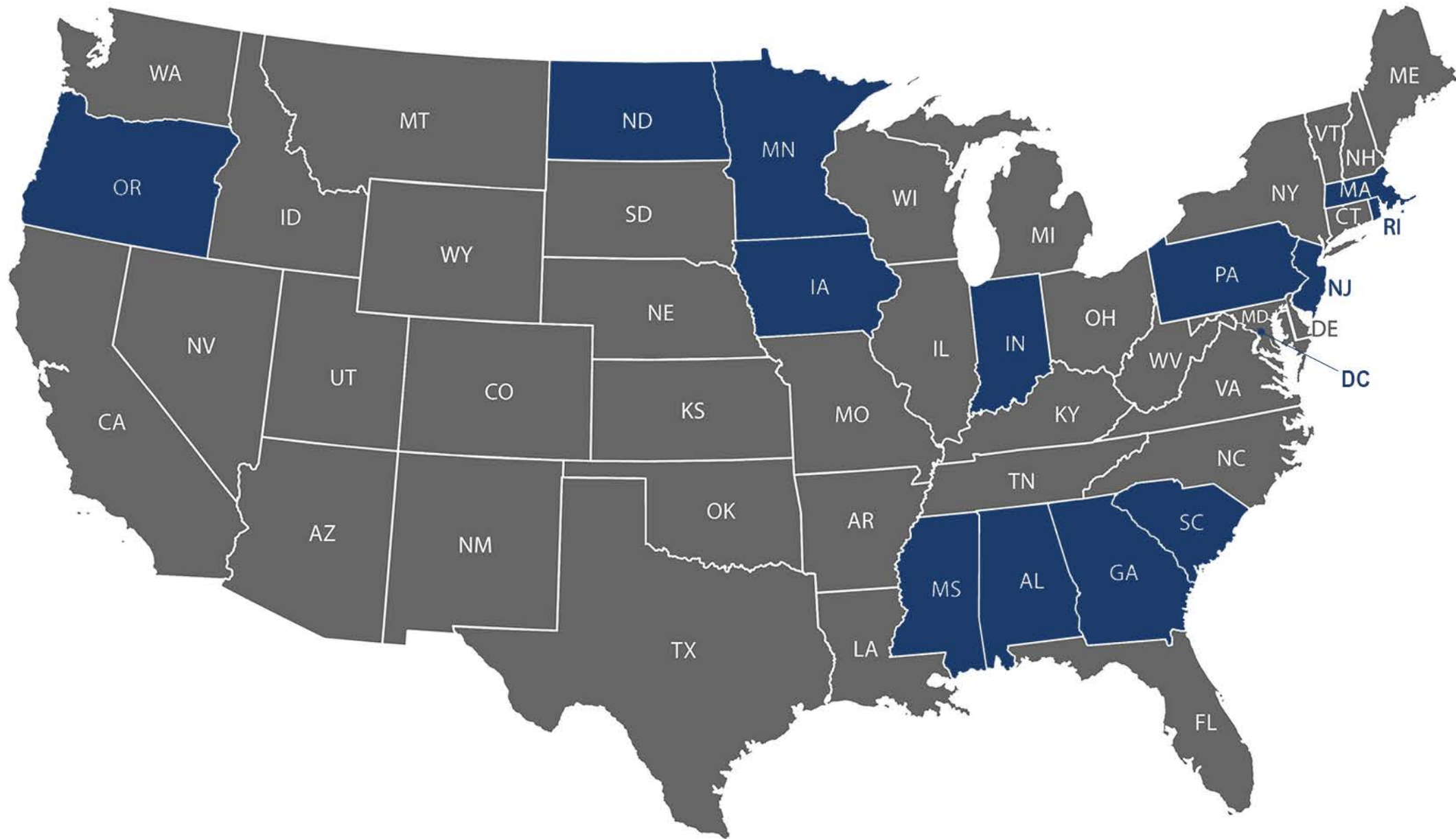
- ▶ Reaction of NH Governor Sununu

- ▶ H.R. 7968 introduced



# Income Tax Nexus





States with Special Nexus Provisions



## STATES WITH SPECIAL NEXUS PROVISIONS (cont.)

- ▶ The Massachusetts Department of Revenue announced that, until the earlier of 12/31/2020, or 90 days after the MA state of emergency is lifted, the Department will not consider the presence of one or more employees working remotely from Massachusetts solely due to the COVID-19 pandemic to be sufficient to establish corporate nexus or cause a corporation to lose the protections of P.L. 86-272.





# Tax Treatment of Disaster Relief Payments

Equipment and Tools  
For Remote Workers

QUESTIONS?



# THANK YOU



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