ACEC/MA HR Forum
Remote Work: Issues and Considerations for Employers

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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.

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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 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
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
THANK YOU

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