

Publications

Harmonizing ‘Tax Home’ Concepts With Evolving Remote Work Arrangements

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Over a year ago, the COVID-19 pandemic effectively required that tens of millions of employees work from home instead of at their regular workplaces. In response, many workers relocated their homes, at least temporarily, while others found advantages to working from home — and employers adapted quickly.

The gradual easing of pandemic restrictions promises to create various modified or permanent remote work arrangements. Employers are rethinking their policies, including how to accommodate employee preferences while satisfying their business objectives.

Undoubtedly, it will take time for the dust to settle. In the meantime, a key concern is whether and under what circumstances an employer should require its workers to work at the employer’s physical location (EPL). The many possibilities include:

- requiring physical presence at an EPL on specific days;
- requiring attendance at an EPL for project meetings, team building, and training sessions; and
- granting employees discretion to determine where to be physically located during work hours, except for very limited circumstances.

An important issue that arises is whether an employer should reimburse employees for the associated travel costs to the EPL to ease the transition — or provide incentives for returning to traditional work locations. At the link below we highlight the historic federal tax rules regarding commuting and travel expenses; identify issues raised as more employers and employees transition to modified work arrangements; and offer recommendations for sensible interim policies in this area.

In the *Tax Notes* article, “Harmonizing ‘Tax Home’ Concepts With Evolving Remote Work Arrangements,” Groom attorneys consider the tax ramifications of the increased demands for remote work and the lack of guidance from the IRS on the evolving telework landscape.

[Tax Notes – Harmonizing Tax Home Concepts With Evolving Remote Work ArrangementsDownload](#)