



## Are Your Home Office Expenses Deductible? The Answer is Currently Up for Debate.

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One outcome of our current environment is that millions of people are now working from home. And many companies are expected to keep this policy in place after mobility restrictions are lifted.

These circumstances have prompted Congress to revisit the tax treatment of home office expenses for employees.

### **Current Tax Treatment**

The Tax Cuts and Jobs Act (TCJA) temporarily suspended an employee's ability to deduct miscellaneous unreimbursed business expenses, including those for their home office.

### **Proposed Tax Treatment**

In April of 2019, several members of Congress introduced the Tax Fairness for Workers Act. This bill, which would reinstate the home office deduction, has recently gained bipartisan support given the situation created by COVID-19. If enacted into law, employees may be able to deduct eligible work-related expenses that exceed 2% of their adjusted gross income.

### **What Should You Do Now?**

While there is no guarantee that the deduction will be reinstated, you should start preparing now in case it is. Save your receipts for any unreimbursed office supplies or equipment that you purchase. When it comes to taxes, documentation is everything. Additionally, if possible, try to separate your workspace from your living space. A computer you use for work and also share with your family may not be deductible.

### **We're Here to Help**

Our tax planning specialists have extensive knowledge of federal and state tax laws. They can help you understand how the rules apply to your situation and create a plan that helps mitigate your current and future tax liabilities. Contact a Cerity Partners advisor or visit [ceritypartners.com](http://ceritypartners.com) to learn more.

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