



NCSAC SERVICES: Let's talk legal with Bill Reid

Topic: Work from Home Tax Rebate



WFH Tax Rebate: Key Info

This PowerPoint presentation is about working remotely, not about studying remotely. However, it will be of interest to students who have worked remotely for their jobs, or who have family or friends who have done so.

WFH Tax Rebate: Reasons to File

- Tax refund (helps pay back student loans!)
- Tuition fees credits
- GST/ HST credit
- Provincial credits
- Climate Action incentive and much more!

WFH Tax Rebate: Old system vs New

Even before the COVID-19 pandemic and shutdown, the Canada Revenue Agency allowed employees who worked from home to deduct a portion of their home office expenses.

However for 2020, the CRA has introduced a simplified system, and employees who work from home may use either the simplified system or the more detailed system that existed in past years.

WFH Tax Rebate: New System

Under the new simplified system, if an employee worked from home full-time for a period of at least two consecutive weeks during 2020 because of the COVID-19 pandemic, and their employer did not reimburse them for the expenses they incurred by working from home, they may claim a deduction of \$2.00 per day, to a maximum of \$400.00.

WFH Tax Rebate: New System

For the employee to qualify, their employer must have either required them to work from home due to the pandemic, or given them the choice to do so due to the pandemic.

An employee who uses the simplified system doesn't have to show proof of any expenses, or have their employers sign any documents.

If more than one member of a household worked from the same home, they can each claim the deduction.

WFH Tax Rebate: Old System

If an employee worked from home but not because of the COVID-19 pandemic, they must use the detailed method to calculate their claim.

If the employee wants to claim any work-related expenses other than for a home office (such as a vehicle, tools or parking), they must use the detailed method.

If an individual is self-employed, they must complete different forms to calculate their claim for business use of their home.

WFH Tax Rebate: Old vs New

To claim under the simplified system, an employee completes form T777S, selecting Option 1, and follows the instructions provided which include filing a copy of the form with their other income tax forms.

To claim under the detailed system, an employee completes form T777S and has their employer complete and sign form T2200S, and files both forms.

To calculate the amount of their claim, they must also calculate their permitted expenses and the percentage of their residence that they use as a home office.

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WFH Tax Rebate: Questions?

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