



From: Finance

Date: July 23, 2020

Subject: Personal Income Tax Forms Related to Working from Home for Calendar Year 2020

What is happening?

Since many UW faculty and staff began working from home on March 16th, 2020 due to the COVID-19 pandemic, questions have arisen about the University providing the Canada Revenue Agency (CRA) form *T2200 Declaration of Conditions of Employment* to employees for the 2020 calendar year. This form supports personal tax deductions for certain costs incurred by employees to carry out work remotely.

In normal times, most UW employees do not qualify to deduct employment related expenses on their personal tax returns because the University provides the workspace and necessary equipment and supplies. Due to the pandemic, the CRA will likely be reviewing and updating their guidance and administrative practices on this topic for 2020. Should the CRA continue to require that each employee have a T2200 form completed by their employer for calendar year 2020 to support deduction of certain expenses related to a workspace in the home, the University will provide these completed forms, as applicable, in February 2021. An update on the process for providing these forms will be provided in early 2021.

What does this mean to me?

To deduct employment expenses related to a workspace in the home on a personal tax return, under current CRA guidelines:

- Your employment contract must require you to maintain a workspace in the home and to incur the related expenses;
- The workspace is where you mainly (more than 50% of the time) do your work;
- Your employer has not reimbursed and will not reimburse you for these expenses; and,
- These expenses must be used directly in your work.

In cases where these requirements are met, employers can complete and provide form T2200, which employees should then maintain with their tax records. It is expected that CRA will issue clarifications enabling employers to provide T2200 tax forms for the 2020 year in cases where employment contracts have not been formally amended to require employees to work from home.

The University does not provide personal tax advice to employees and individuals should consult with their personal tax advisors on this topic. However, please note that CRA's current guidance on workspace in the home and employment related expenses for employees earning a salary states generally that:

- [Eligible expenses can include a portion of electricity, heating and maintenance expenses](#)

- [Expenses that cannot be deducted include mortgage interest, property taxes, home insurance, capital costs \(equipment/furniture, etc.\) and home internet services](#)

Employees are responsible for ensuring the accuracy of employment related expenses that they report on their personal tax returns and to maintain and provide to CRA any information that CRA may require in the future to confirm such deductions. It will be the responsibility of employees to ensure that any expenses they claim as employment related expenses on their personal tax returns have not been reimbursed by the University.

Additional Information and Resources:

- Canada Revenue Agency's [T2200 Declaration of Conditions of Employment](#) is a Canada Revenue Agency form that can be completed by employers and provided to employees to confirm if the employee's contract required the employee to pay for (and not be reimbursed by the employer for) certain employment related expenses.
- Canada Revenue Agency's [Workspace-in-the-home expenses](#)

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