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2020 Home Office Expenses for Employees

As an employee, you may be able to claim a deduction for certain home office expenses (work-space-in-the-home expenses, office supplies, and certain phone expenses).

Temporary Flat Rate Simplified Method

Each employee working from home who meets the eligibility criteria can use the temporary flat rate method to calculate their deduction for home office expenses.

To use this method to claim the home office expenses you paid, you must meet **all** of the following conditions:

- You worked from home in 2020 due to the COVID-19 pandemic.
- You worked more than 50% of the time from home for a period of at least four consecutive weeks in 2020
- You are only claiming home office expenses and are not claiming any other employment expenses
- Your employer did not reimburse you for all of your home office expenses

If you are using temporary flat rate method, you do not need to determine your exact expenses to calculate your claim for home office expenses in 2020. It is based on \$2 for each day that you worked at home to a maximum of \$400.

The temporary flat rate method is used to claim home office expenses that you paid like rent, electricity and home internet access fees, as well as office supplies like pens and paper, and cell phone minutes. If you use the temporary flat rate method, you cannot claim any other employment expenses (for example motor vehicle expenses).

I am eligible for the temporary flat rate method.

Total number of days worked from home in 2020 due to COVID-19

Detailed Method

To claim **the actual expenses you paid** for working from your home, you must meet **all** of the following conditions:

- **One** of the following applies:
 - You worked from home in 2020 due to the COVID-19 pandemic
 - Your employer required you to work from home
- You were required to pay for expenses related to the work space in your home (cannot claim any expenses that were or will be reimbursed by employer)
- **One** of the following applies:
 - Your work space is where you mainly (more than 50% of the time) work for a period of at least four consecutive weeks. The period can be longer than a month.
 - You only use your work space to earn employment income. You also have to use it regularly and continually for meeting clients, customers, or other people while doing your work
- Your expenses are used directly in your work
- **One** of the following applies:
 - You have a completed and signed copy of Form T2200S, Declaration of Conditions of Employment for Working at Home Due to COVID-19, from your employer
 - You have a completed and signed copy of Form T2200, Declaration of Conditions of Employment

Work-space-in-the-home expenses

You can claim a portion of certain expenses related to the use of a work space in your home. You must separate the expenses between your employment use and non-employment (personal) use of your home. Commission employees who sell goods or negotiate contracts (typically have an income amount in box 42 on their T4 slip), can claim some expenses that salaried employees cannot.

<u>Can be claimed</u>	<u>Cannot be claimed</u>
<p>All salaried employees and commission employees can claim:</p> <ul style="list-style-type: none">• electricity• heat• water• utilities portion (electricity, heat, and water) of your condominium fees• home internet access fees• maintenance and minor repair costs• rent paid for a house or apartment where you live <p>Commission employees can also claim:</p> <ul style="list-style-type: none">• home insurance• property taxes• lease of a cell phone, computer, laptop, tablet, fax machine, etc. that reasonably relate to earning commission income	<p>Salaried employees and commission employees cannot claim:</p> <ul style="list-style-type: none">• mortgage interest• principal mortgage payments• home internet and cell phone connection or license fees• monthly basic rate of landline telephone• furniture or office equipment• capital cost allowance and capital expenses (replacing windows, flooring, furnace, etc)• purchase of cell phone, computer/laptop, tablet, fax machine, computer accessories, or other electronics

Office supplies and phone expenses

If your employer requires you to pay for office supplies (stationary, pens, folders, postage, tones, ink, etc.) or other expense (employment use of basic cell phone plan or long distance calls for work), you may be able to claim those expenses.

Although you can claim these expenses, they are not related to the physical work space in your home. They are **claimed on a different section of Form T777S or Form T777**.

In the detailed method, for all expenses claimed, you **MUST** keep all supporting documents in case requested by CRA.

****There are limitations on some expenses, please refer to the Canada Revenue Agency website to view full details and limitations of each expense you are claiming.****

☐ I am eligible for the detailed method. Complete the form [Automobile& Office-in-Home Expenses](#) and the form [Statement of Commission/Employment Activities](#)