

Employment Expense

Your Name _____

Do you have a signed T2200 Employment Condition Certification from your employer?

- Yes, you can claim various expenses based on the employment condition including home office, auto expenses, office supplies, phone, etc.
- No, you may claim Flat Rate Method for Home Office Expense to a maximum of \$400. Please see below Home office section.

OR

Do you have a signed **T2200S Simplified** Employment Condition Certification from your employer?

- Yes, you can claim various expenses based on the employment condition including home office, office supplies, phone, etc.
- No, you may claim Flat Rate Method for Home Office Expense to a maximum of \$400. Please see below Home office section.

Home Office

Due to the COVID-19 pandemic, many individuals worked from home during a portion of 2020. In some cases, a deduction may be available.

There are two different options to claim home office.

- Option 1 - Flat Rate Method: up to **\$400** deduction. **No receipts or employment certification required.**
Requirement: Due to COVID-19, the employee has worked from home for **more than 50% of the time for at least four consecutive weeks** in 2020.

If you met the above requirement, you can claim \$2/day that you worked from home.

Please provide the days you worked from home in 2020 _____

- Option 2 - Detailed Method. Supporting documents needed and employer certification (T2200 or T2200S) is required to make the claim.

If you choose this method, please provide the following:

T2200 or T2200S Employment Condition signed by your employer

Days working at home _____

Square footage of the home office _____

Square footage of your entire home _____

The following expenses are for the the full year of 2020

Rent _____

Water _____

Electricity _____

Heat	_____
Utility portion of the condo fee	_____
Minor repairs	_____
Internet	_____
Basic phone plan	_____
Long distance phone cost	_____
Office supplies	_____

How to choose which option to use?

First of all, for most of the people, either option **might not** save you a lot of tax as it sounds in the news. This is only a **tax deduction**, the actual tax saving is the **home office expense multiply by your tax rate**. For example, if you claim \$400 employment expense, and your tax bracket is at 32%, the tax saving is \$128, not the \$400. The following is a list of considerations to help you choose which option to go with:

1. If you use a **common area** for home office, please use the **Flat Rate Method** as the expenses will be prorated by the hours you worked in that area. It will be a very small percentage to claim.
2. If you only **work part time** at home, please consider Flat Rate Method as the expenses will be prorated by the days you are working at home.
3. If you **own** a home, consider Flat Rate Method as **mortgage interest is not eligible expense**.
4. If you don't have supporting documents or don't like to keep your supporting documents, please use Flat Rate Method.

If you are still unsure, click the link below to use CRA's online calculator to compare which option suits you better.

<https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-229-other-employment-expenses/work-space-home-expenses/calculate-expenses.html>