

## Financial Guideline 2019/2020 - 46

### Community & Comprehensive and Voluntary Secondary schools

## Working from Home Tax Credit and Allowance

### 1. Introduction

The board of management may be approached by employees in relation to costs of working from home over the Covid-19 Emergency period. Revenue allows an employer to make a small tax-free payment to an employee working from home. However, the Department of Education and Skills has confirmed that it will not be providing funds to boards to cover any such payments.

### 2. Where the board does not make payments towards working from home expenses

Where the board does not make a payment towards the expenses of working from home, an employee can claim tax relief on these expenses directly by completing an income tax return via Revenue's myAccount website.

Information for an employee making a claim is included in appendix A and employees should refer to Sections 2.4 and 2.5 of [Part 05-02-13 of Revenue's tax and duty manual on "E-Working and Tax"](#) for more information on how to make a claim.

Further information or clarification on any of the issues raised in this Financial Guideline can be obtained from the FSSU.

Tel: 01-269 0677  
[info@fssu.ie](mailto:info@fssu.ie)

16<sup>th</sup> June 2020

# Appendix A

## COVID-19 and e-working

The [COVID-19 emergency](#) has had a big impact on working life in Ireland. Throughout the country organisations are asking staff where possible to [work from home](#) to prevent the spread of the virus.

If an employee was asked to work from home because of the COVID-19 emergency, the employee may be able to claim tax relief against the cost of home expenses.

## How does an employee qualify?

E-working is where you work from home for substantial periods on a full- or part-time basis.

To qualify as an e-worker, you must:

- Have a formal agreement with your employer that you are required to work from home
- Be required to perform essential duties of employment at home

E-working involves:

- Working for substantial periods at home
- Logging onto a work computer remotely
- Sending and receiving email, data or files remotely
- Developing ideas, products and services remotely

You are not entitled to claim tax relief if you bring work home from the office outside of normal working hours, for example in the evenings or at weekends.

## How much can I claim?

You may have extra costs when you are working from home including heating, electricity and broadband costs. Your employer can pay you a contribution towards these costs or you can make a claim for tax relief at the end of the year.

You can make a claim for tax relief at the end of the year. You will get money back from the taxes you paid.

Your refund of tax is based on:

- How many days you worked from home
- The cost of the expenses
- Revenue's agreed rate for calculating the cost of running a home office

Revenue's rate for the cost of running a home office is 10% of the total cost. This means that you can claim 10% of the total amount of allowable utility bills against your taxes. This is only available for the days that you work from home. This does not include times you may have brought work home to do outside your normal working hours.

## Example

Mary works from home for 6 months while her office is closed due to the COVID-19 emergency. During that 6 months her household bills for heating, electricity and broadband come to €1000. At the end of the year she can claim tax back on expenses of €100 (10% of €1000).

The amount she gets back depends on her rate of tax. If she pays tax at the higher tax rate of 40% she will get €40 back from her taxes (40% of €100). If she pays tax at the lower rate of 20%, she will receive €20 back (20% of €100).

What expenses can I claim?

Tax relief on e-working covers the additional costs of working from home. This includes:

- Heating
- Electricity
- Broadband

Should I pay tax on equipment from my employer?

If your employer gives you equipment that you need to do your work, like a computer or printer, and you mainly use it for work, it is not considered a benefit in kind. This means that you do not have to pay any tax for receiving the equipment from your employer.

## How to apply

You can [claim tax relief](#) online using Revenue's [myAccount service](#). You can also access the myAccount service on mobile and tablet devices using Revenue's [RevApp](#).

To complete an Income Tax return online use the following steps:

1. Sign into [myAccount](#)
2. Click on 'Review your tax' link in PAYE Services
3. Select the Income Tax return for the relevant tax year
4. Select 'Other PAYE Expenses' in the 'Tax Credits and Reliefs' page and insert the amount of expense at the 'Amount Claimed' section

You must be able to account for each expense you intend to claim. This means keeping a record of all receipts and bills. You should keep all documentation relating to your claim for 6 years from the end of the tax year to which the claim relates.

You may also need a letter from your employer stating that you work from home.