

# Remote Work – State & Local Tax Issues

National Tax Association

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# Overview

Widespread remote work continues to shape both the workplace and the state and local tax landscape.

It expands the already challenging nexus environment and has far-reaching implications for apportionment, effective tax rates, and financial statement reporting.

Finally, remote work impacts employment taxes with implications for employers, employees, and taxing authorities.

# Myriad State & Local Tax Issues



# Policy Considerations

- Employment Taxes
  - COVID relief (expired)
  - Expansion of reciprocal agreements
  - Review of “convenience of the employer” policies
  - Shifting of tax collections between jurisdictions
  - Federal Mobile Workforce legislation
- Business Taxes
  - COVID relief (expired)
  - Increasing/shifting of tax collections
  - Pressures on credits & incentives policies and accountability
  - Coordination with economic nexus principles
  - Further focus on receipts apportionment and sourcing

## Related Articles

*Remote Work Creates a Spectrum of State & Local Tax Issues*, The Tax Adviser, December 1, 2021 (no subscription required)

<https://www.thetaxadviser.com/issues/2021/dec/remote-work-state-local-tax-issues.html>

*'Convenience of the Employer' Rule: Past, Present, and Future*, State Tax Notes, January 30, 2023 (subscription required)

<https://www.taxnotes.com/tax-notes-state/individual-income-taxation/convenience-employer-rule-past-present-and-future/2023/01/30/7fw6f>

# Biography



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Drew VandenBrul has over 30 years of experience as a state & local tax professional advising companies across all industries on complex multistate tax planning, tax controversy, transaction and compliance matters, including income, franchise, realty transfer and sales & use taxes.

He has served middle-market companies, private equity funds, and publicly-traded companies in the real estate, telecommunications, private equity, manufacturing, power & utilities, life sciences, and healthcare industries. Drew leads Grant Thornton's Legal Entity Optimization (LEO) and State Tax Return Review (STaRR) practices, helping clients drive business efficiency and tax value through their legal entity structures and income tax refund reviews.

Drew is an Adjunct Professor in the Villanova Graduate Tax Program. He is a Certified Public Accountant, licensed to practice in the State of Pennsylvania and a Member, American and Pennsylvania Institutes of Certified Public Accountants. He is also an active member of state tax committees for Greater Philadelphia Chamber of Commerce, Pennsylvania Chamber of Business & Industry, Pennsylvania Institute of CPAs, and Tax Executives Institute.

He is a regular speaker at Council on State Taxation (COST), State Tax Roundtable for Utilities & Power (STARTUP), Northeastern States Tax Officials Association (NESTOA), Pennsylvania Institute of Certified Public Accountants (PICPA), Tax Executives Institute (TEI), National Association of Real Estate Investment Trusts (NAREIT), Edison Electric Institute (EEI), Broadband Tax Institute (BTI), Pennsylvania Economic Development Association (PEDA), Institute for Professionals in Taxation (IPT), and Villanova and Temple University Schools of Law.



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