To provide a tax credit for employers that provide remote work equipment and services to their employees, and for other purposes.

IN THE SENATE OF THE UNITED STATES

AUGUST 4, 2020

Mr. YOUNG (for himself and Ms. HASSAN) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To provide a tax credit for employers that provide remote work equipment and services to their employees, and for other purposes.

1 Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,
3 SECTION 1. SHORT TITLE.
4 This Act may be cited as the “Assisting Teachers and
5 Home Office Modernization for Employees Act” or the
6 “AT HOME Act”.

116TH CONGRESS
2D SESSION

S. 4436
SEC. 2. ESTABLISHMENT OF TAX CREDIT FOR EMPLOYERS THAT PROVIDE REMOTE WORK EQUIPMENT AND SERVICES TO THEIR EMPLOYEES.

(a) IN GENERAL.—For purposes of section 38 of the Internal Revenue Code of 1986, in the case of an eligible entity, the COVID–19 remote work credit shall be treated as a credit listed at the end of subsection (b) of such section. For purposes of this subsection, the COVID–19 remote work credit for any taxable year is an amount equal to 25 percent of any qualified remote work expenses paid or incurred by the eligible entity during such taxable year.

(b) DEFINITIONS.—For purposes of this section—

(1) ELIGIBLE ENTITY.—The term “eligible entity” means, with respect to any taxable year, an employer which has not more than 150 full-time equivalent employees (as defined in section 45R(d)(2) of the Internal Revenue Code of 1986) for such taxable year.

(2) QUALIFIED REMOTE WORK EXPENSE.—

(A) IN GENERAL.—The term “qualified remote work expense” means any expense paid or incurred by the eligible entity—

(i) for purposes of allowing any employee of such entity to work from a worksite other than a shared office space, including the acquisition, implementation, or
other cost associated with the addition of
any qualified remote work technology;

(ii) which is necessary to allow for
continuation of normal business functions
of such entity;

(iii) in response to the virus SARS–
CoV–2 or coronavirus disease 2019
(COVID–19), or any Federal, State, or
local regulation related to COVID–19; and

(iv) after February 15, 2020, and be-
fore January 1, 2021.

(B) EXCLUSION OF EXISTING QUALIFIED
REMOTE WORK TECHNOLOGY.—The term
“qualified remote work expense” shall not in-
clude any expense paid or incurred by the eligi-
ble entity which relates to any qualified remote
work technology which was placed in service on
or before February 15, 2020.

(C) EMPLOYEE.—For purposes of sub-
paragraph (A), the term “employee” shall in-
clude—

(i) any shareholder in a S corporation;

and

(ii) any member of a limited liability
company.
(D) LIMITATIONS.—The total amount of qualified remote work expenses which may be taken into account for purposes of this section—

(i) with respect to the eligible entity for all taxable years shall not exceed $50,000; and

(ii) with respect to any employee of such entity for all taxable years shall not exceed $2,000.

(3) QUALIFIED REMOTE WORK TECHNOLOGY.—The term “qualified remote work technology” means any equipment (including software, hardware, or product systems), which allow normal business functions from a worksite other than a shared office space.

(c) AGGREGATION RULE.—All persons which are treated as a single employer under subsections (a) and (b) of section 52 of the Internal Revenue Code of 1986 shall be treated as a single employer for purposes of this section.

(d) PHASEOUT OF CREDIT AMOUNT BASED ON NUMBER OF EMPLOYEES.—With respect to any taxable year, the amount of the credit allowed under subsection (a) (as determined without regard to this subsection) shall be re-
duced (but not below zero) by an amount equal to the product of—

(1) the amount determined under subsection (a); and

(2) an amount equal to the quotient obtained by dividing—

(A) the number of full-time equivalent employees (as defined in section 45R(d)(2) of the Internal Revenue Code of 1986) of the eligible entity in excess of 100 for such taxable year; by

(B) 50.

(e) CREDIT MADE AVAILABLE TO TAX EXEMPT ENTITIES.—In the case of an eligible entity which is an organization described in section 501(c) of the Internal Revenue Code of 1986 which is exempt from taxation under section 501(a) of such Code, there shall be treated as a credit allowable under subpart C of part IV of subchapter A of chapter 1 of such Code (and not allowable under subpart D of such part) the lesser of—

(1) the amount of the credit determined under subsection (a) (after application of subsection (d)) with respect to such entity; or

(2) the amount of the payroll taxes (as defined in section 45R(f)(3) of such Code) of such entity
during the calendar year in which the taxable year
begins.
(f) Denial of Double Benefit.—No deduction
shall be allowed under any provision of chapter 1 of the
Internal Revenue Code of 1986 with respect to any
amount taken in account in determining the credit allowed
to a taxpayer under this section.
SEC. 3. DEDUCTION FOR INDIVIDUALS FOR REMOTE WORK
EXPENSES.
(a) In General.—Section 62(a)(2) of the Internal
Revenue Code of 1986 is amended by adding at the end
the following new subparagraph:
“(F) Remote work expenses.—
“(i) In general.—The deductions al-
lowed by section 162 which consist of ex-
penses paid or incurred by the taxpayer, in
connection with the performance by him or
her of services as an employee—
“(I) for purposes of allowing
such taxpayer to work from a worksite
other than a shared office space, in-
cluding the acquisition, implementa-
tion, or other cost associated with the
addition of any qualified remote work
technology,
“(II) which is necessary to allow
for continuation of normal work func-
tions of such taxpayer,

“(III) in response to the virus
SARS–CoV–2 or coronavirus disease
2019 (COVID–19), or any Federal,
State, or local regulation related to
COVID–19, and

“(IV) after February 15, 2020,
and before January 1, 2021.

“(ii) ELIGIBLE EDUCATOR.—In the
case of an eligible educator, the deduction
allowed under clause (i) shall include, in
addition to any deduction allowed to such
educator under subparagraph (D), any ex-
 pense paid or incurred by such educator—

“(I) after March 15, 2020, and
before January 1, 2021, and

“(II) which is described in clause
(ii) of such subparagraph.

“(iii) LIMITATION.—The deduction al-
lowed under clause (i) shall not exceed
$150 for any taxable year.

“(iv) QUALIFIED REMOTE WORK
TECHNOLOGY.—For purposes of this sub-
paragraph, the term ‘qualified remote work technology’ means any equipment (including software, hardware, or product systems), which allow normal business functions from a worksite other than a shared office space.

“(v) LIMITATION BASED ON ADJUSTED GROSS INCOME.—The amount of the deduction allowed under clause (i) (determined without regard to this clause) shall be reduced (but not below zero) by 1 percent of so much of the taxpayer’s adjusted gross income as exceeds—

“(I) $150,000 in the case of a joint return,

“(II) $112,500 in the case of a head of household, and

“(III) $75,000 in the case of a taxpayer not described in subclause (I) or (II).”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2019.