

116TH CONGRESS
2D SESSION

S. 4436

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”.

1 **SEC. 2. ESTABLISHMENT OF TAX CREDIT FOR EMPLOYERS**
 2 **THAT PROVIDE REMOTE WORK EQUIPMENT**
 3 **AND SERVICES TO THEIR EMPLOYEES.**

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

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

13 (1) ELIGIBLE ENTITY.—The term “eligible enti-
 14 ty” means, with respect to any taxable year, an em-
 15 ployer which has not more than 150 full-time equiv-
 16 alent employees (as defined in section 45R(d)(2) of
 17 the Internal Revenue Code of 1986) for such taxable
 18 year.

19 (2) QUALIFIED REMOTE WORK EXPENSE.—

20 (A) IN GENERAL.—The term “qualified re-
 21 mote work expense” means any expense paid or
 22 incurred by the eligible entity—

23 (i) for purposes of allowing any em-
 24 ployee of such entity to work from a work-
 25 site other than a shared office space, in-
 26 cluding the acquisition, implementation, or

1 other cost associated with the addition of
2 any qualified remote work technology;

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

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

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

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

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

22 (i) any shareholder in a S corporation;

23 and

24 (ii) any member of a limited liability
25 company.

1 (D) LIMITATIONS.—The total amount of
 2 qualified remote work expenses which may be
 3 taken into account for purposes of this sec-
 4 tion—

5 (i) with respect to the eligible entity
 6 for all taxable years shall not exceed
 7 \$50,000; and

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

11 (3) QUALIFIED REMOTE WORK TECHNOLOGY.—

12 The term “qualified remote work technology” means
 13 any equipment (including software, hardware, or
 14 product systems), which allow normal business func-
 15 tions from a worksite other than a shared office
 16 space.

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

22 (d) PHASEOUT OF CREDIT AMOUNT BASED ON NUM-
 23 BER OF EMPLOYEES.—With respect to any taxable year,
 24 the amount of the credit allowed under subsection (a) (as
 25 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 em-
ployees (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 EN-
TITIES.—In the case of an eligible entity which is an orga-
nization described in section 501(c) of the Internal Rev-
enue 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 sub-
part 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

1 during the calendar year in which the taxable year
 2 begins.

3 (f) DENIAL OF DOUBLE BENEFIT.—No deduction
 4 shall be allowed under any provision of chapter 1 of the
 5 Internal Revenue Code of 1986 with respect to any
 6 amount taken in account in determining the credit allowed
 7 to a taxpayer under this section.

8 **SEC. 3. DEDUCTION FOR INDIVIDUALS FOR REMOTE WORK**
 9 **EXPENSES.**

10 (a) IN GENERAL.—Section 62(a)(2) of the Internal
 11 Revenue Code of 1986 is amended by adding at the end
 12 the following new subparagraph:

13 “(F) REMOTE WORK EXPENSES.—

14 “(i) IN GENERAL.—The deductions al-
 15 lowed by section 162 which consist of ex-
 16 penses paid or incurred by the taxpayer, in
 17 connection with the performance by him or
 18 her of services as an employee—

19 “(I) for purposes of allowing
 20 such taxpayer to work from a worksite
 21 other than a shared office space, in-
 22 cluding the acquisition, implementa-
 23 tion, or other cost associated with the
 24 addition of any qualified remote work
 25 technology,

1 “(II) which is necessary to allow
 2 for continuation of normal work func-
 3 tions of such taxpayer,

4 “(III) in response to the virus
 5 SARS-CoV-2 or coronavirus disease
 6 2019 (COVID-19), or any Federal,
 7 State, or local regulation related to
 8 COVID-19, and

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

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

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

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

21 “(iii) LIMITATION.—The deduction al-
 22 lowed under clause (i) shall not exceed
 23 \$150 for any taxable year.

24 “(iv) QUALIFIED REMOTE WORK
 25 TECHNOLOGY.—For purposes of this sub-

1 paragraph, the term ‘qualified remote work
 2 technology’ means any equipment (includ-
 3 ing software, hardware, or product sys-
 4 tems), which allow normal business func-
 5 tions from a worksite other than a shared
 6 office space.

7 “(v) LIMITATION BASED ON AD-
 8 JUSTED GROSS INCOME.—The amount of
 9 the deduction allowed under clause (i) (de-
 10 termined without regard to this clause)
 11 shall be reduced (but not below zero) by 1
 12 percent of so much of the taxpayer’s ad-
 13 justed gross income as exceeds—

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

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

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

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

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