

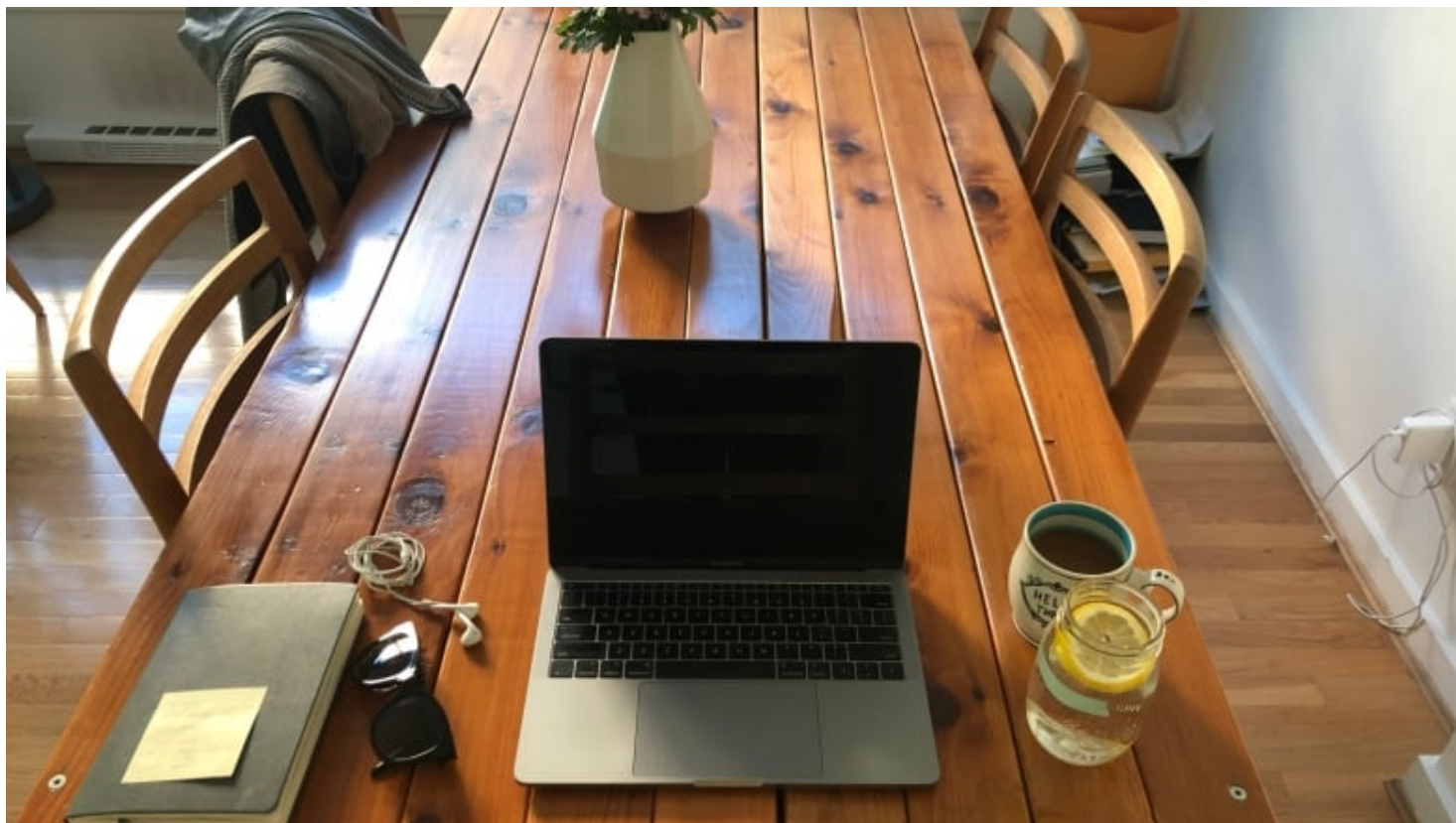
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Politics

Millions of Canadians working from home could qualify for new tax deduction

CRA announces rules to simplify working-from-home deduction

[Elizabeth Thompson](#) · CBC News · Posted: Dec 15, 2020 12:13 PM ET | Last Updated: 1 hour ago



The CRA has come up with a new way for Canadians to claim a tax deduction for working from home.
(Submitted by Sandy Mangat)

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The Canada Revenue Agency has simplified the rules to make millions of Canadians working from home eligible for a tax deduction.

Under the new rules, those who worked from home more than 50 per cent of the time over a period of at least four consecutive weeks in 2020 as a result of the pandemic will be now be eligible for the deduction.

Eligible employees who opt for the simplified deduction will be able to claim \$2 for each day they worked from home during that period, plus any other days they worked from home because of the pandemic, up to a maximum of \$400. Their employers will not have to sign a special form.

Those with larger claims for home office expenses can still use the existing detailed method to claim a deduction. The CRA is making that easier too.

Under the existing rules, those working from home had to get their employers to fill out a special form, T2200, attesting to the fact that working from home was a condition of their employment. But many employers balked at filling out the complicated form. Now, the CRA has launched two new simplified forms (T2200S and T777S) and a calculator to help those who want to claim home office expenses.

The CRA also has expanded the list of expenses eligible for the detailed working-from-home deduction and will now recognize home internet fees as a deduction.

According to Statistics Canada's Labour Force Survey, an estimated 2.4 million Canadians who do not normally work from home were doing so in October.

In a statement, Revenue Minister Diane LeBouthillier said the temporary flat rate method of claiming the working-from-home deduction and the calculator will make it easier to claim the deductions.

"The government of Canada remains committed to helping Canadians cope with the impacts of the COVID-19 pandemic by making the home expenses deduction more accessible and easier to claim," she wrote.

The \$400 work from home deduction was first announced in the government's fiscal update on November 30.

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