

New Home Office Expense Claim Methods

On December 15, 2020, CRA released details on new methods to claim home office expenses.

The update includes:

- [New temporary flat rate method](#)
- [New options to claim the actual amounts you paid](#)
- [New eligible expenses](#)

NEW TEMPORARY FLAT RATE METHOD

The new temporary flat rate method simplifies your claim for home office expenses. You are eligible to use this new method if you worked more than 50% of the time from home for a period of at least four consecutive weeks in 2020 due to the COVID-19 pandemic. You can claim \$2 for each day you worked from home during that period plus any additional days you worked at home in 2020 due to the COVID-19 pandemic. The maximum you can claim using the new temporary flat rate method is \$400 (200 working days) per individual.

Eligibility

Each individual working from home who meets the [eligibility criteria](#) can use the temporary flat rate method to calculate their deduction for home office expenses. This means multiple people working from the same home can each make a claim.

This method can only be used for the 2020 tax year.

NEW DETAILED METHOD

You are eligible to claim a deduction for home office expenses for the period you worked from home, if you meet **all** of the criteria:

- you worked from home in 2020 due to the COVID-19 pandemic **or** your employer required you to work from home
- you worked more than 50% of the time from home for a period of at least four consecutive weeks in 2020
- have a completed and signed Form T2200S or Form T2200 from your employer
- the expenses are used directly in your work during the period

Changes to the process

The CRA:

- created a simplified [Form T2200S](#) and [Form T777S](#)
- created a [calculator](#) to help you claim the home office expense deduction that you are entitled to
- will accept an electronic signature on the [Form T2200S](#) and [Form T2200](#) to reduce the necessity for employees and employers to meet in person (applies to the 2020 tax year only)

NEW ELIGIBLE EXPENSES

The CRA has released a 59 item list of items that individuals may have been considering deducting, which indicates what specifically would be deductible, and what would not. The eligibility list is broken down by deductibility for commissioned sales persons and employees.

<https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-229-other-employment-expenses/work-space-home-expenses/what-changes.html#h-1>