

Remote Working Relief

Part 05-02-13

This document should be read in conjunction with section 114 and section 114A of the Taxes Consolidation Act, 1997

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Table of Contents

1	Introduction	3
2	What is Remote Working?	3
3	What is a Qualifying Residence?	4
4	Conditions for an Employee to Qualify as a Remote Worker	4
	4.1 Who can Claim?	5
5	Treatment of Employer Reimbursed Remote Working Expenses	5
	5.1 Enhanced Reporting Requirements	6
6	Normal Place of Work and Remote Working	6
7	Remote Working Relief - Position up to 31 December 2021	8
	7.1 What are Relevant Expenses?	8
	7.1.1 For 2019 and Previous Tax Years	8
	7.1.2 To note, the 4 year time limit for claiming a refund for relief in regard to 2019 expenses expired on 31 December 2023. For the Tax Years 2020 and 2021	8
	7.2 How is the relief calculated?	8
	7.3 Making a Claim for 2021 and Previous Tax Years	9
8	Remote Working Relief - Position from 1 January 2022	10
	8.1 What are Relevant Expenses?	10
	8.2 Calculating the specified amount	10
	8.3 How the Relief is Calculated	14
	8.3.1 Jointly Assessed Married Persons and Civil Partners	15
	8.3.2 Shared Accommodation	16
	8.4 Making a Claim for 2022 and Subsequent Tax Years	17
	8.4.1 Claiming tax relief "in-year"	18
	8.4.2 Claiming tax relief following the end of the year of assessment	20
9	Provision by Employers of Computers & Other Equipment	22
10	Remote Working Hubs	22
11	Capital Gains Tax (CGT)	22
12	Local Property Tax (LPT)	22

1 Introduction

This manual contains guidance on the income tax relief available to remote workers (sometimes referred to as e-workers) for relevant expenses incurred in the performance of the duties of his or her employment, while working from home.

Section 7 of this manual provides guidance on the operation of Remote Working Relief (RWR) up to and including the tax year 2021.

Section 3 of the Finance Act 2021 inserted a new provision at section 114A of the Taxes Consolidation Act 1997 (TCA) in respect of Remote Working Relief. This enhanced the relief available and provided a statutory footing for the measure, previously operated by Revenue on broadly an administrative basis. Relief available under section 114A TCA applies from 1 January 2022. Comprehensive guidance on this new section is contained in section 8 of this manual.

The manual also provides a definition of remote working and it sets out the qualifying conditions for the relief.

Clarification is also provided regarding the 'normal place of work' for employees working remotely. In addition, other ancillary issues around remote working are addressed, such as the tax treatment of payments by the employer for reimbursement of remote worker expenses, the provision of equipment by the employer and the related benefit-in-kind (BIK) exemptions.

Furthermore, the manual clarifies the CGT and LPT treatment for a residential property, where the owner is using a room in the property to perform the duties of his or her employment.

2 What is Remote Working?

Generally, remote working is regarded as a method of working, using information and communication technology, in which the work-related activity that is carried out is not bound to any particular location.

Remote working includes:

- working at home either on a full-time or part-time basis; or
- working some of the time at home and the remainder in the office.

Remote working involves:

- logging onto the employer's computer system remotely;
- sending and receiving emails, data or files remotely;
- developing ideas, products and services remotely.

The arrangements referred to in this manual apply only to remote workers. These arrangements **do not** extend to employees who, in the normal course of employment, choose to bring some work home in the evening or at weekends etc.

3 What is a Qualifying Residence?

For the purposes of claiming RWR, a qualifying residence is a residential premises (i.e. the employee's home) that is also used by the remote worker to perform the duties of his or her employment.

4 Conditions for an Employee to Qualify as a Remote Worker

In order to qualify as a remote worker, for the purpose of claiming RWR, in respect of relevant expenses incurred in working from home, the following conditions must be met;

- There must be an arrangement in place between the employer and the employee under which the employee is required to work from home. While there is no requirement in legislation for a formal agreement or letter to be submitted, it is expected that there will be a policy in place or an agreement between the employer and employee, whether verbal or written, that the employee can work from home;
- An employee must be required to perform substantive duties of the employment at home; and
- An employee must be required to work for substantial periods at home.

Example 1 – Employee does not qualify as a remote worker

Jack works for Horizon Limited. He is the company's IT officer for the north Dublin area. The company is happy for Jack to work from its offices in south Dublin, but Jack prefers to travel from his home in north Dublin to clients' premises and return directly to his home. Jack spends time in the evenings preparing reports on the daily visits. Jack is not a remote worker, as he is not performing substantive duties of his employment at home. Therefore, he has no entitlement to make a claim for any costs incurred while working at home.

Example 2 – Conditions met to qualify as a remote worker

Horizon Limited employs a team of 15 people. The company operates from a small office which only has room for the director and a secretary. There is no room for the team, who are recruited on the basis that they will work full time from home.

The employees on the team can make a claim for relevant additional expenses incurred while working at home.

Example 3 – Conditions not met to qualify as a remote worker

Mick is a travelling salesman. He leaves his home to visit clients and on the days where the clients are located close to Mick's home, he may return home early to carry out some work such as inputting invoices on his laptop. The main duty of Mick's employment is that of a salesperson and the substantive duties of his employment are carried out at the clients' premises. The fact that he carries out ancillary work at home does not make him a remote worker for the purposes of this relief.

4.1 Who can Claim?

RWR will generally apply to employees and directors rather than chargeable persons (i.e., self-employed taxpayers or taxpayers in receipt of income not subject to deduction under the PAYE system such as rental income).

A chargeable person can only claim this relief if:

- 1) a portion of his/her income arises from an office or employment and he/she is a remote worker in that context; and/or
- 2) he/she is the assessable person in a married couple or civil partnership, and his/her spouse or civil partner is a remote worker.

Where a director (including a proprietary director) has incurred and defrayed relevant expenses 'out of the emoluments' of the office or employment of profit, he/she shall be entitled to claim a deduction ('remote working relief') from the emoluments, that are subject to tax under the PAYE system. The relevant expenses must be '**out of**' the relevant emoluments and all other conditions must be met.

5 Treatment of Employer Reimbursed Remote Working Expenses

Revenue operates an administrative practice which allows an employer to make payments up to €3.20 per day to employees, subject to certain conditions, without deducting Income Tax, PRSI or USC. There is no legal obligation on the employer to make such a payment and the payment is at the discretion of the employer. This practice may apply where:

- there is an agreement in place between the employer and employee under which the employee works from home,
- the employee performs substantive duties of his/her employment at home, and
- performs his/her duties for substantial periods at home.

Amounts in excess of €3.20 per day paid by the employer should be subject to Income Tax, PRSI and USC in the normal manner. Records of payments made must be retained by the employer for the purpose of any potential future Revenue compliance review.

In respect of a claim for RWR made by an individual, any payment made by an employer to reimburse an employee for expenses incurred while working from home, must be deducted from the RWR claim amount. Where an employer does not pay €3.20 per day to the remote worker, the employee is not entitled to claim a tax-free round sum of €3.20 per day. However, where additional expenses are incurred by a remote worker, the employee is entitled to claim RWR for a relevant portion of these expenses.

Note: see [section 7](#) in respect of the treatment for the year of assessment 2021 and prior years and [section 8](#) regarding 2022 and subsequent years of assessment.

5.1 Enhanced Reporting Requirements

Section 897C of the Taxes Consolidation Act 1997 introduced by Finance Act 2022, provides for the mandatory reporting to Revenue by employers in respect of three specific measures, collectively referred to as “reportable benefits”. One of the three measures required to be reported under the enhanced reporting requirements (ERR) is the payment of the remote working daily allowance of up to €3.20.

ERR came into operation from 1 January 2024, with employers required to report the three reportable benefits (which includes RWR) from this date.

For further details on ERR see Tax and Duty Manual [Part 38-03-33](#).

6 Normal Place of Work and Remote Working

Generally, if an employee works part-time in the office and part-time at home, the normal place of work is the office. Similarly, in the Covid-19 situation where an employee was required to work at home full time for the duration of the pandemic, the normal place of work is the office. Note that under no circumstances may expenses be reimbursed tax free in relation to travel between an employee’s home and his or her place of work. Likewise, subsistence expenses may not be paid without deduction of tax in respect of periods spent in an employee’s home. The rules on determining the normal place of work are discussed in more detail in Tax and Duty Manual [Part 05-01-06](#).

Example 4 - Normal place of work for remote-working and travel expenses

Mary works as a computer programmer. She works in the Galway office 3 days per week and from home 2 days per week. There is a formal remote working agreement in place between Mary and her employer. Mary's employer pays her €6.40 per week (i.e. €3.20 per day for the 2 days a week working from home) in respect of expenditure incurred in the performance of her duties from home.

Mary occasionally travels to clients' premises to carry out maintenance on computer systems. These calls can take place when Mary is due in the office or due to be working at home. Mary's normal place of work is the Galway office. When Mary travels to clients' premises, she is entitled to claim travel and subsistence expenses, subject to the normal rules, in respect of journeys between the shorter of:

- (i) home to the client's premises; and
- (ii) Galway office to the client's premises.

If Mary receives €3.20 from her employer for the same day that she is claiming travel and subsistence expenses in respect of visiting a client's premises, then the €3.20 will be regarded as pay for that day and taxed accordingly.

7 Remote Working Relief - Position up to 31 December 2021

7.1 What are Relevant Expenses?

It is acknowledged that remote workers may incur certain additional expenditure in the performance of the duties of his/her employment when working from home. RWR provides income tax relief for a portion of the additional utility expenses.

7.1.1 For 2019 and Previous Tax Years

Remote workers could claim 10% of the cost of electricity and heat incurred, based on the number of days worked from home over the year as a remote worker. A claim for broadband for 2019 or previous years was not available.

7.1.2 To note, the 4 year time limit for claiming a refund for relief in regard to 2019 expenses expired on 31 December 2023. For the Tax Years 2020 and 2021

Where additional expenses are incurred, the remote worker is entitled to claim the following:

- Electricity and heat - 10% of the cost of electricity and heat apportioned on the basis of the number of days worked from home over the year.
- Broadband - 30% of the cost of broadband apportioned on the basis of the number of days worked from home over the year.

To note, a claim for the 2020 tax year can be made up 31 December 2024.

7.2 How is the relief calculated?

The example below outlines the approach an employee claiming relief for allowable remote working expenses in the performance of the duties of employment.

Example 5 – Calculation of allowable expenses

Eve worked 180 days in total during the 2020 tax year, with 90 of these days working from home.

The annual amount of expenses incurred by Eve on allowable utility bills is €1,750 on electricity and heat and €430 on broadband. These amounts should be apportioned based on the number of days working from home over the year, and then a further apportionment for business use.

The portion of utility bills and broadband that applies to remote working days is:	
$\frac{\text{Allowable utility bills X no. of remote working days}}{365 \text{ days}}$	
Electricity & Heat	Broadband
$\frac{\text{€1,750 X 90}}{365} = \text{€432}$ <p>Revenue is willing to accept that the average proportion of the cost of electricity and heat attributable to work is 10%.</p> <p>€432 x 10% = €43 (amount due for electricity and heat)</p>	$\frac{\text{€430 X 90}}{365} = \text{€106}$ <p>Revenue is willing to accept that the average proportion of broadband attributable to work is 30%.</p> <p>€106 x 30% = €32 (amount due for broadband)</p>

Therefore, the total amount of remote working expenses that would be claimed under **'Remote Working (e-Working) Expenses'** is €43 + €32 = €75 (this is the total remote working expense amount). Eve pays tax at the higher rate of 40%, so she will be entitled to tax relief of €30 (€75 x 40% = €30).

If an expense is shared between two or more individuals, the cost can be apportioned based on the amount paid by each individual.

7.3 Making a Claim for 2021 and Previous Tax Years

Remote Working expenses can be claimed by completing an Income Tax Return.

An individual can complete this form on the Revenue website as follows:

- sign into [myAccount](#);
- from the 'PAYE services' card select 'review your tax 2020-2023';
- select the Income Tax Return for the relevant tax year and then select 'submit';
- click 'Your Job';
- select 'Remote Working (e-Working) Expenses' in the 'Tax Credits and Reliefs' page and insert the amount of expense at the 'Amount Claimed' section.

To claim an allowable remote working expense, the employee must have incurred the cost. As a claim may be selected for future examination, all documentation relating to a claim should be retained for a period of six years from the end of the tax year to which the claim relates.

A remote worker can also upload receipts and images of utility bills paid in 2020 and 2021 using the Receipts tracker in [myAccount](#). If the receipts and bills are not uploaded, they must be retained in the original form for a period of six years.

The following material is either exempt from or not required to be published under the Freedom of Information Act 2014.

[...]

8 Remote Working Relief - Position from 1 January 2022

8.1 What are Relevant Expenses?

Section 114A TCA defines relevant expenses in relation to remote working, as expenses incurred and defrayed by the remote worker, in respect of the provision of electricity, heating or broadband in his or her qualifying residence (defined in [section 3](#) above).

The relief does not extend to any other expenses.

To calculate the relief the relevant expense must be:

- i. apportioned over the number of days in the year the employee worked remotely; and
- ii. multiplied by 30%

to establish the specified amount.

8.2 Calculating the specified amount

Broadly, the specified amount means the amount of expenditure which qualifies for income tax relief under RWR.

In relation to the 2022 year of assessment and subsequent years, the specified amount will be determined by the following formula:

$$\left(\frac{A \times B}{C} - D \right) \times 30\%$$

- A is the amount of relevant expenses incurred and defrayed by the remote worker in the relevant year of assessment,
- B is the number of days in the relevant year of assessment the remote worker performed the duties of his or her office or employment from his or her qualifying residence,
- C is the number of days in the relevant year of assessment, and
- D is any amount paid or due to be paid, either directly or indirectly, to the remote worker in relation to those expenses by his or her employer.

Example 6

Emma works 180 days in total during 2023, 50 of which are worked from home.

Emma's electricity, heating and broadband bills amount to €1,890 over the course of the year. Emma does not receive a daily remote working allowance from her employer.

The specified amount is calculated using the formula:

$$\left(\frac{A \times B}{C} - D \right) \times 30\%$$

where:

$$A = \text{€1,890}$$

$$C = 365$$

$$B = 50$$

$$D = \text{€0}$$

$$\frac{(\text{€1,890} \times 50) - 0 \times 30\%}{365} = \text{€77}$$

The specified amount on which tax relief is due for 2023 is therefore €77.

Example 7

Rowan works 220 days in total during 2023, 100 of which are worked from home. Rowan's electricity, heating and broadband bills amount to €2,500 over the course of the year. He does not receive a daily remote working allowance from his employer.

The specified amount is calculated using the formula:

$$\left(\frac{A \times B}{C} - D \right) \times 30\%$$

where:

$$A = \text{€2,500}$$

$$C = 365$$

$$B = 100$$

$$D = \text{€0}$$

$$\frac{(\text{€2,500} \times 100) - 0 \times 30\%}{365} = \text{€206}$$

The specified amount on which tax relief is due for 2023 is therefore €206.

Example 8

Belle works 180 days in total during 2023, 150 of which are worked from home. Belle's electricity, heating and broadband bills amount to €2,690 over the course of the year and Belle receives a payment of €3.20 from her employer for each day that she works from home.

The specified amount is calculated using the formula:

$$\left(\frac{A \times B}{C} - D \right) \times 30\%$$

where:

$$A = €2,690$$

$$C = 365$$

$$B = 150$$

$$D = €480 (\text{€}3.20 \times 150)$$

$$\frac{(\text{€}2,690 \times 150) - \text{€}480}{365} \times 30\% = \text{€}187$$

$$365$$

The specified amount on which tax relief is due for 2023 is therefore €187.

Example 9

Daniel works 225 days in total during 2023, 190 of which are worked from home. Daniel's electricity, heating and broadband bills amount to €2,450 over the course of the year and Daniel receives a payment of €1.50 from his employer for each day that he works from home.

Daniel's annual salary from his employment is €35,000 and his marginal rate of tax is 20%.

The specified amount is calculated using the formula:

$$\left(\frac{A \times B}{C} - D \right) \times 30\%$$

where:

$$A = €2,450$$

$$C = 365$$

$$B = 190$$

$$D = €285 (\text{€}1.50 \times 190)$$

$$\frac{(\text{€}2,450 \times 190) - \text{€}285}{365} \times 30\% = \text{€}297$$

$$365$$

The specified amount on which tax relief is due for 2023 is therefore €297.

As Daniel is subject to tax at 20%, the specified amount of €297 will be relieved at 20%.

8.3 How the Relief is Calculated

Income tax relief provided under section 114A TCA is granted by deducting the specified amount from the taxable emoluments arising from the individual's office or employment. The relief is therefore given at the individual's marginal rate of tax (i.e. the highest rate at which he or she pays tax – this is either 20% or 40%).

Example 10

Using the details from example 8 above, the tax relief due to Belle under section 114A TCA in the 2023 year of assessment is €75 as set out below.

Broadly, the RWR specified amount of €187 is relieved at the marginal rate of tax applying to Belle (i.e. 40%) so the relief is €75 (i.e. €187 x 40% = €75).

	€	€
Salary	52,000	
RWR Specified Amount	<u>187</u>	
Taxable Income		51,813
Tax Paid		
€40,000 x 20%	8,000	
€12,000 x 40%	4,800	
Basic Personal Tax Credit	(1,775)	
Employee Tax Credit	<u>(1,775)</u>	
		9,250
Tax Due		
€40,000 x 20%	8,000	
€11,813 x 40%	4,725	
Basic Personal Tax Credit	(1,775)	
Employee Tax Credit	<u>(1,775)</u>	
		<u>9,175</u>
Tax overpayment		<u>75</u>

Example 11

Using the details from example 9 above, the tax relief due to Daniel under section 114A for 2022 amounts to €60 as set out below.

Broadly, the RWR specified amount of €297 is relieved at the marginal rate of tax applying to Daniel (20%) so the relief is €60 ($€297 \times 20\% = €60$).

	€	€
Salary	35,000	
RWR Specified Amount	<u>297</u>	
Taxable Income		34,703
Tax Paid		
€35,000 x 20%	7,000	
Basic Personal Tax Credit	(1,700)	
Employee Tax Credit	<u>(1,700)</u>	
		3,600
Tax Due		
€34,703 x 20%	6,940	
Basic Personal Tax Credit	(1,700)	
Employee Tax Credit	<u>(1,700)</u>	
		<u>3,540</u>
Tax Overpayment		<u>60</u>

8.3.1 Jointly Assessed Married Persons and Civil Partners

Where the taxpayer is married or in a civil partnership and is jointly assessed to tax on that basis, the assessable spouse or civil partner may make a claim based on total relevant expenses incurred by him or her and their spouse or civil partner.

Example 12

Mary and Tom are a married couple who are both remote workers during 2022 and qualify for RWR. Mary works 150 days and Tom works 120 days from home in the year. Their combined electricity, heating and broadband bills amount to €3,120, which they share equally. Mary and Tom both pay tax at the higher rate. Neither Mary nor Tom receive a daily remote working allowance from their respective employers.

The specified amount is calculated using the formula:

$$\left[\frac{A \times B}{C} - D \right] \times 30\%$$

For Mary where:

$$\begin{aligned} A &= \text{€}1,560 \text{ (i.e. } \text{€}3,120/2) & C &= 365 \\ B &= 150 & D &= \text{€}0 \end{aligned}$$

Specified amount for Mary:

$$\frac{(\text{€}1,560 \times 150) - \text{€}0 \times 30\%}{365} = \text{€}192$$

The specified amount on which tax relief is due for Mary is therefore €192.

Mary's tax relief is €77 (€192 x 40% = €77).

For Tom where:

$$\begin{aligned} A &= \text{€}1,560 \text{ (€}3,120/2) & C &= 365 \\ B &= 120 & D &= \text{€}0 \end{aligned}$$

Specified amount for Tom:

$$\frac{(\text{€}1,560 \times 120) - \text{€}0 \times 30\%}{365} = \text{€}154$$

The specified amount on which tax relief is due is therefore €154.

Tom's tax relief is €61 (€154 x 40% = €61).

As jointly assessed married persons, Tom can claim for RWR - with the total tax relief of €138 applying (i.e. €61 + €77).

8.3.2 Shared Accommodation

Section 114A TCA requires the remote worker to have incurred and defrayed expenditure on relevant expenses in order to qualify for RWR. However, it is noted that scenarios may arise where a bill issues in one person's name, but it is actually paid by two or more people e.g. house sharing.

In such cases, each individual may include a portion of the relevant utility bill(s) in their own RWR claim. The amount each individual can include in his or her claim is

the relevant amount he or she has actually paid towards the bill. Taxpayers must retain proof of payment for any contribution he or she has made towards the cost of a shared bill.

Example 13

Audrey works 225 days in total during 2022, 170 of which are worked from home. Audrey's marginal rate of tax is 20%.

Audrey lives in rented accommodation which she shares with three other tenants. All four tenants make equal contribution to household costs. The combined total for electricity, heating and broadband bills for the household is €3,250 over the course of the year. Audrey does not receive any daily remote working allowance from her employer.

The specified amount is calculated using the formula:

$$\left(\frac{A \times B}{C} - D \right) \times 30\%$$

where:

$$A = \text{€}813 \text{ (€}3,250/4\text{)}$$

$$B = 170$$

$$C = 365$$

$$D = \text{€}0$$

$$\frac{(\text{€}813 \times 170)}{365} - \text{€}0 \times 30\% = \text{€}114$$

The specified amount on which tax relief is due is therefore €114.

As Audrey's marginal rate of tax is 20%, the total tax relief due to her under section 114A TCA is €23 (€114 x 20% = €23).

8.4 Making a Claim for 2022 and Subsequent Tax Years

Taxpayers must make a claim for RWR. This can be done online and is a quick and easy process that is also free.

There is a legislative requirement in section 114A(6) TCA 1997 that receipts must be submitted with the remote working relief claim (i.e. the utility bills must be electronically uploaded).

Therefore, when making a claim for RWR the remote worker will need to provide a copy of the utility bills issued by the service provider in respect of the premises where the remote worker carried out his/her duties of employment or office. The claimant will also need to provide any other information that may be requested by the Revenue Commissioners so as to determine that the requirements of the remote working relief are met.

Taxpayers can manage and keep track of their remote working and other receipts on the Receipts Tracker service, which is available in [myAccount and ROS](#).

Remote workers in receipt of PAYE income can claim relief for their relevant remote working expenses in one of the following ways:

1. In-year, using the Real-Time Credit facility; or
2. after the end of the year, by [completing an Income Tax Return](#).

The total amount of relief received in respect of a year of assessment will be the same, irrespective of whether the relief is claimed in year or following the end of the year of assessment. The only difference is one of timing, with relief available earlier in relation to in-year/real time claims.

8.4.1 Claiming tax relief “in-year”

The Real-Time Credit facility can be accessed through [myAccount](#), under the ‘PAYE Services’ and ‘Manage My Record’ cards.

To claim tax relief in real time, taxpayers will be required to provide details of the remote working expense(s) he/she has incurred, along with a readable image of the relevant utility bill.

A step-by-step guide to making and checking the progress of a claim using the Real-Time Credit facility is available on the Revenue Website for [Real Time Credits](#).

When an “in-year” claim is made, the relief due is granted as follows:

- 1) The tax relief due is calculated and apportioned equally over the year of assessment.
- 2) The portion of relief due up to the time the claim is made may be given by way of a refund.

This is subject to the amount of income tax actually paid by the claimant at that time being equal to or higher than that portion of the relief and the claimant being taxed on the cumulative basis.

- 3) The portion of relief due over the remaining part of the year will be given by way of an increase to the claimant’s tax credits. This will reduce the amount of tax deducted from the claimant’s payroll for the remainder of the year.

Example 14

Stephanie is a single individual and has an annual salary of €54,000. In 2022 Stephanie is entitled to a standard rate cut-off point of €36,800, a basic personal tax credit of €1,700 and an employee (PAYE) tax credit of €1,700. Stephanie is assessed to tax on the cumulative basis.

Stephanie works from home throughout the period 1 January to 31 May 2022, before returning to the office on a full-time basis on 1 June 2022. In the period January to May 2022, Stephanie incurs remote working expenses totalling €2,600.

The specified amount in respect of these expenses amounts to €300 and Stephanie claims relief in-year on same through the Real-Time Credit facility.

Relief on the specified amount is provided at Stephanie's marginal rate of tax, being 40%, and the total relief due in respect of same for 2022 is €120 (i.e. €300 x 40%).

This amount is apportioned over the course of the year and is split as follows:

- 1) Relief due up to the period in which the claim is made (January 2022 - May 2022). This amounts to €50 (€120 x 5/12).
- 2) Relief due for the remaining part of the year after the claim is made (June 2022 - December 2022). This amounts to €70 (€120 x 7/12).

The portion of relief due up to the period in which the claim is made may be given by way of a refund, provided the amount of income tax paid by Stephanie at that time exceeds that portion of the relief.

	€	€
Salary Jan - May (€54,000 x 5/12)		22,500
€15,333 (€36,800 X 5/12) x 20%	3,066	
€7,167 x 40%	<u>2,866</u>	
		5,932
Less		
Basic Personal Tax Credit (€1,700 x 5/12)	708	
Employee (PAYE) Tax Credit (€1,700 x 5/12)	<u>708</u>	
		<u>1,416</u>
Tax Paid Jan – May		<u>4,516</u>

As Stephanie is taxed on the cumulative basis and the amount of income tax she has paid in the period January to May 2022 exceeds the portion of relief due for that period, she will receive a refund of €50 at the time of her claim.

The remainder of the relief due, the portion attributed to the period June to December, will be given by way of an adjustment to the Stephanie's tax credits. This means that Stephanie's monthly take home pay in these months will be higher than it was in January to May 2022.

Monthly Comparison	Jan- May €	June - Dec €
Standard Rate Cut-Off Point (€36,800/12)	3,067	3,067
Tax Credits		
Basic Personal Tax Credit (€1,700/12)	141	141
Employee (PAYE) Tax Credit (€1,700/12)	141	141
Real-Time tax credit increase (€70/7)	<u>-</u>	<u>10</u>
	282	292

Salary (54,000/12)	4,500	4,500
€3,067 x 20%	613	613
€1,433 x 40%	<u>573</u>	<u>573</u>
	1,186	1,186
Less tax credits	<u>282</u>	<u>292</u>
Total Monthly Income Tax Deductions	<u>904</u>	<u>894</u>

Stephanie's net pay will therefore increase by €10 per month in the period June to December 2022.

8.4.2 Claiming tax relief following the end of the year of assessment

Taxpayers can also claim relief for remote working expenses after the end of the year of assessment by submitting an annual Income Tax Return.

For PAYE only taxpayers this can be done by accessing the 'Review your Tax' card in [myAccount](#). Taxpayers claiming relief on an annual Income Tax Return can manage and keep track of their remote working expenses and other receipts on the Receipts Tracker service in [myAccount and ROS](#).

For chargeable persons, they can claim remote-working expenses by completing an Income Tax Return at year end. They will be required to upload supporting documentation via the Revenue Receipts Tracker in [ROS](#). They can opt to save the information to Revenue storage where it will prefill the tax return to assist in the completion and filing of the return. Valid receipts saved to Revenue storage do not need to be retained by the taxpayer for 6 years.

Where relief is claimed after the end of the year of assessment, the claimant will generally receive a refund equal to the full amount of relief due. This is subject to the requirement that the total amount of income tax paid by the individual in the relevant year of assessment exceeds the amount of relief due.

Example 15

Using the same circumstances as outlined above, Stephanie claims relief for her remote working expenses in January 2023 by submitting an annual Income Tax return in respect of the 2022 year of assessment.

The relief due to Stephanie in respect of the 2022 year of assessment is still €120 (€300 x 40%).

	€	€
Salary	54,000	
Remote Working Specified Amount	300	
Taxable Income		53,700
Tax Paid		
€36,800 x 20%	7,360	
€17,200 x 40%	6,880	
Basic Personal Tax Credit	(1,700)	
Employee (PAYE) Tax Credit	<u>(1,700)</u>	
Tax Paid		10,840
Tax Due		
€36,800 x 20%	7,360	
€16,900 x 40%	6,760	
Basic Personal Tax Credit	(1,700)	
Employee (PAYE) Tax Credit	<u>(1,700)</u>	
Tax Due		<u>(10,720)</u>
Tax Overpayment		<u>120</u>

As the tax paid by Stephanie over the course of the 2022 year of assessment exceeds the total relief due in respect of her remote working expenses, she will receive a refund of €120 subsequent to filing her return.

As outlined above, the total amount of relief received in respect of remote working expenses in a year of assessment will be the same irrespective of whether the relief is claimed in-year or following the end of the year of assessment. This is shown in the above examples.

9 Provision by Employers of Computers & Other Equipment

Relevant expenses for the purposes of RWR does not include expenditure on anything other than electricity, heating or broadband in an individual's qualifying residence.

RWR does not therefore extend to expenses incurred by an employee in purchasing furniture or equipment to enable him or her to work remotely. This may include, for example, a desk, chair, computer or printer. These are capital items and are not allowable deductions under section 114 TCA 1997 or section 114A TCA 1997.

Section 118 TCA stipulates that where the provision of such items is primarily for business use, a BIK charge will not arise on the employee in respect of incidental private use.

The provision of a telephone line, broadband, etc. for business use will also not give rise to a BIK charge, where private use of the connection is incidental.

See [Tax and Duty Manual Part 05-01-01i](#) for full details of the benefit in kind exemption which may be available on employer provided office furniture and equipment.

10 Remote Working Hubs

RWR does not extend to expenses incurred by an employee for renting desks in hubs. However, if it is the case that costs of renting a desk in a hub are paid for by the employer and the costs are incurred wholly and exclusively for the purposes of the business of the employer, the costs may be deducted by the employer in the normal course of calculating the tax liability of their business. There is no relief available for the employee.

11 Capital Gains Tax (CGT)

Where an employee uses any part of his or her home for remote working purposes, the CGT exemption for a Principal Private Residence will not be restricted.

12 Local Property Tax (LPT)

There is no reduction of LPT due on a residential property in relation to the owner using a room in his or her home to carry out work-related activities.