

This leaflet deals with tax implications of eWorking employees.

eWorking is regarded as a method of working using information and communication technology in which the work that is carried out is not bound to any particular location. Ways of eWorking include:

- Working at home on a full time or part time basis
- Working some of the time at home and the remainder in the office
- Working while on the move, with infrequent or occasional visits to the office.

eWorking involves:

- Working for substantial periods outside the employer's premises
- Logging onto the employer's computer remotely
- Sending and receiving email, data or files remotely
- Developing ideas, products and services remotely.

The number of employees eWorking is increasing and this leaflet addresses some of the more important issues that affect them.

Income Tax

Provision of Computers & other Additional Equipment.

An individual's employer may provide equipment, such as computers, printers, scanners, fax machines, etc. and software to enable him or her work from home. Where the provision of such items is primarily for business use, a benefit-in-kind charge will not be imposed on the employee in respect of incidental private use. The provision of a telephone line for business use will not give rise to a benefit in kind charge.

Provision of Other Equipment.

Likewise, the provision of other equipment, such as office furniture, etc., by the employer to enable the employee work from home will not attract a benefit-in-kind charge where the equipment is provided primarily for business use.

Home Expenses

eWorkers will incur certain expenditure in the performance of their duties from home, such as additional heating and electricity costs. Revenue is prepared to allow an employer make payments up to €3.20 per day to employees without deducting PAYE and PRSI. This does not prevent an employee making a specific expenses claim where the actual expenditure is in excess of this amount.

Other Expenses

The tax treatment of motor expenses and subsistence payments which may be made by an employer without attracting a tax liability is set out in Income Tax leaflets IT51 & IT54, respectively. In relation to eWorkers, the determination of the individuals base may cause an element of difficulty. In practice, if the employee works part time in the office and part time at home, the base is the office.

Note: These arrangements only apply to eWorking employees. They do not extend to employees who, in the normal course of employment, bring some work home in the evening, etc.

Capital Gains Tax

Where an eWorking employee uses any part of his or her home for eWork purposes, the capital gains tax exemption for Principal Private Residences will not be restricted.

Further Information

This leaflet is for general information only. You can get further information by phoning your Regional Revenue Office whose LoCall number is listed below,

- **Border Midlands West Region 1890 777 425**
Cavan, Monaghan, Donegal,
Mayo, Galway, Leitrim, Louth,
Offaly, Roscommon, Sligo,
Westmeath
- **Dublin Region 1890 333 425**
Dublin (City and County)
- **East & South East Region 1890 444 425**
Carlow, Kildare, Kilkenny,
Laois, Meath, Tipperary,
Waterford, Wexford,
Wicklow
- **South West Region 1890 222 425**
Clare, Cork, Kerry, Limerick

within the Republic of Ireland or on 00 353 (1)
647 4444 from outside the Republic of Ireland.
Alternatively, you can visit the Revenue website at
www.revenue.ie

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