Post-Pandemic Tax Practice: Lessons Learned for the High-Tech Sector

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Agenda
► Introductions
► Lessons Learned:
  ▪ Connectivity
  ▪ Processes
  ▪ Workforce
  ▪ Employer
  ▪ Employee
  ▪ Home Life
► Next steps??
Lessons Learned: Connectivity (Nora/Peter)

▶ IRS Network/Infrastructure Challenges
  ▪ Stress on the system due to volume of teleworkers
  ▪ Security

▶ Switch to full-time telework
  ▪ No access to audit sites and post-of-duties
  ▪ Schedule flexibility
  ▪ Virtual training
  ▪ Life at home

Lessons Learned: Processes (Nora/Peter)

▶ Suspension of Key Compliance Program
▶ Transmitting Documents Electronically
  ▪ SecureZip
▶ Secure Messaging
  ▪ Taxpayer Digital Communication (TDC)
▶ Guidance under the CARES Act to Taxpayers with NOL
▶ E-signatures
  ▪ IRS approves temporary use of e-signatures for certain forms
  ▪ IRS adds six more forms to list that can be signed digitally; 16 now available
Lessons Learned: Processes (Nora/Peter)

- Temporary procedures to fax certain Forms 1139 and 1045 due to COVID-19
- Case Closing Procedures

Lessons Learned: Workforce (Lupita)

- Employee engagement
  - Communication is key
  - Empathy
  - Keeping culture alive
- Leadership mindset
  - Attributes
- TRUST
Lessons Learned: Workforce, continued (Lupita)

- Employee well being
  - Physical & mental
- Digital transformation
- Strong workforce, stronger recovery

Lessons Learned by Employer (Stephen)

- Stores & supply chain operations ceased on March 20th
- Certain payroll and benefits continued to be paid
- CARES Act opportunities:
  - Employee retention credits
  - Qualified improvement property deductions
  - ER social security tax deferrals
  - Net operating loss carryback
- Calculation & software needs
- State tax implications
- Tax reporting
- Internal controls
Other Employer Considerations for Employee Benefits (Jeff)

► Disaster Relief Payments
  ▪ Qualified expenses potentially excluded from gross income
  ▪ Must be for *reasonable and necessary* personal, family, living, or funeral expenses
  ▪ Documentation

► Home office expenses
  ▪ Pre- vs. Post-tax

► Educational Assistance Programs
  ▪ Qualified plans

► EE social security tax deferrals

Lessons Learned: Home Life (Lupita)

► Same weather, different boat
  ▪ Isolation
  ▪ Homeschooling
  ▪ Child Care

► Separating work and life
  ▪ Day-to-day activities

► Growth mindset (refer to chart)
Lessons Learned: Home Life, continued (Lupita)

Next Steps (Jeff)

► Go back to office?
  ▪ Physical social distancing
  ▪ Disinfecting workspaces
  ▪ Scheduling
  ▪ What happens if someone tests positive?

► Redefining mobility policies?
  ▪ Allowing employees to move to fully remote
  ▪ Geographic and jurisdictional considerations

► Lease renegotiations?
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