

## State Tax Chart Results

**Tax Type:** Corporate Income

**Legend:**

N/A - Not Applicable  
 Update - See additional details within chart

### Nexus Based on COVID-19 Telecommuting

This chart shows which states have issued specific guidance on whether telecommuting employees temporarily working in a state due to the impact of COVID-19 create corporate income tax nexus for an employer who does not operate in that state.

State	COVID-19 Telecommuting	Authority	Editorial Reference
AK	No specific guidance. The Alaska Department of Revenue stated that "Alaska does not have any de minimis standard or exception provided in statute or regulation, so an employee whose compensation is assignable to Alaska under 15 AAC 19.241 would create nexus for that business entity." (Email on File with Checkpoint Catalyst, 05/18/2020.)	N/A	¶11,820
AL	Alabama will not consider temporary changes in an employee's physical work location to impose nexus or alter apportionment of income for any business during periods in which temporary telework requirements are in place due to the pandemic.	Operational Updates Due to COVID-19, Al. Dept. of Rev., 05/12/2020	¶11,820
AR	No specific guidance.	N/A	¶11,820
AZ	Yes. State will not assert nexus. The Department of Revenue (DOR) has indicated, via email, that although telecommuting in Arizona does create nexus for the telecommuter's employer, if the employee is telecommuting only due to COVID-19, the DOR will not	Email on file with Checkpoint, 05/21/2020	¶11,820

	consider such telecommuting as creating nexus.		
CA	No specific guidance.	N/A	¶11,820
CO	According to the Colorado Department of Revenue, "there are not currently any executive orders or emergency rules in effect that modify the statutes and rules regarding income tax nexus. Any COVID-19 related tax changes are listed on the COVID-19 Updates web page."	Email on file with Checkpoint Catalyst, 5/19/2020; <a href="http://www.choosecolorado.com">http://www.choosecolorado.com</a>	¶11,820
CT	No specific guidance.	N/A	¶11,820
DC	Yes. District will not assert nexus. The District will not seek to impose nexus solely on the basis of employees or property used to allow employees to work from home temporarily located in the District during the period of the declared COVID-19 public emergency.	Dist. of Columbia Revenue Notice 2020-05, 04/10/2020	¶11,820
DE	No specific guidance	N/A	¶11,820
FL	No specific guidance.	N/A	¶11,820
GA	Yes. State will not assert nexus.	Coronavirus Tax Relief FAQs, Ga. Dep't of Rev., updated 05/01/20	¶11,820
HI	No specific guidance.	N/A	¶11,820
IA	Yes. State will not assert nexus.	COVID-19 Income Tax FAQs, Iowa Dept. Rev., updated 5/15/2020	¶11,820
ID	No specific guidance.	N/A	¶11,820
IL	No specific guidance.	N/A	¶11,820
IN	Yes. Indiana will not assert nexus. Indiana will not use an employee's relocation, that is the direct result of temporary remote work requirements arising from and during the COVID-19 pandemic health crisis, as the basis for establishing Indiana nexus or for exceeding the protections provided by P.L. 86-272 for the employer of the temporary	DOR Coronavirus Information, Ind. Dept. of Rev., 04/06/2020	¶11,820

	relocated employee. The temporary protections provided will extend for periods of time where there is an official work from home order issued by an applicable federal, state or local government unit, or pursuant to the order of a physician in relation to the COVID-19 outbreak or due to an actual diagnosis of COVID-19, plus 14 days to allow for return to normal work locations.		
KS	No specific guidance.	N/A	¶11,820
KY	Yes. DOR will continue reviewing Kentucky state income tax nexus determinations on a case-by-case basis.	Kentucky Covid-19 Tax Relief: Frequently Asked Questions, 07/16/2020	¶11,820
LA	The Louisiana Department of Revenue plans to issue a revenue ruling establishing that an employee's temporary relocation due to "remote work requirements which are imposed solely as a response to the COVID-19 public health emergency will not be used, on its own, as the basis for establishing nexus with Louisiana or for exceeding the protections imposed by P.L. 86-272 for the employer of the employee." Compensation received by "individuals for services rendered in a location which is different than an employee's ordinary work location and which relocation is due to temporary remote work requirements imposed solely as a response to the COVID-19 public health emergency" is sourced to "the employee's ordinary work location."	Email from the Louisiana Department of Revenue to RIA, 05/20/2020	¶11,820
MA	Yes. Massachusetts will not assert nexus. Until the earlier of December 31, 2020, or 90 days after the state of emergency in Massachusetts is lifted, the	Massachusetts Technical Information Release No. 20-10, , 07/21/2020	¶11,820

	Department will not consider the presence of one or more employees working remotely from Massachusetts solely due to the COVID-19 pandemic to be sufficient in and of itself to establish corporate nexus.		
MD	Yes. Maryland will not assert nexus. The comptroller will recognize the temporary nature of a business' interim workplace model and employee deployment in light of and during the coronavirus (COVID-19) health emergency and will not use these temporary measures to impose business nexus. <b>Update:</b> 05/04/2020 Business nexus will not be imposed.	Maryland Tax Alert 05-04-20, Maryland Comptroller's Office, 05/04/2020.	¶11,820
ME	No specific guidance.	N/A	¶11,820
MI	Yes. The state of Michigan is not waiving nexus requirements due to COVID-19 virus-related telecommuting.	Email, Michigan Department of Treasury RIA, 05/19/2020	¶11,820
MN	Yes. The Minnesota Department of Revenue will not seek to establish nexus for business income tax purposes solely because an employee is temporarily working from home due to the COVID-19 pandemic.	COVID-19 FAQs for Businesses, Minn. Dept. Rev., 05/18/2020; Our Response to COVID-19, Minn. Dept. Rev., 07/17/2020	¶11,820
MO	No specific guidance.	N/A	¶11,820
MS	Yes. Mississippi will not assert nexus. During the national emergency, Mississippi will not change withholding requirements for businesses based on an employee's temporary telework location. Mississippi residents are taxable on their total income, regardless of where they work. However, new withholding requirements will	Notice 2020-01, Miss. Dept. Rev., 03/23/2020; Mississippi Department of Revenue Response to Requests for Relief, Miss. Dept. Rev., 03/26/2020	¶11,820

	not be imposed on employers. Mississippi will not use any changes in the employee's temporary work locations due to the pandemic to impose nexus or alter the apportionment of income for any business while temporary telework requirements are in place.		
MT	There are no Montana changes for corporate income tax nexus, with respect to COVID-19 and employees temporarily or permanently working in Montana.	Correspondence, Montana Department of Revenue, 05/19/2020	¶11,820
NC	No specific guidance.	N/A	¶11,820
ND	Yes. North Dakota will not assert nexus.	COVID-19 Tax Guidance, 04/15/2020	¶11,820
NE	No specific guidance.	N/A	¶11,820
NH	No specific guidance.	N/A	¶11,820
NJ	Yes. New Jersey will not assert nexus. In the event that employees are working from home solely as a result of closures due to the COVID-19 outbreak and/or the employer's social distancing policy, no threshold will be considered to have been met.	Telecommuting and Nexus, 03/30/2020	¶11,820
NM	No specific guidance.	N/A	¶11,820
NV	N/A	N/A	N/A
NY	No specific guidance.	N/A	¶11,820
OH	Not applicable. The corporate franchise tax was eliminated after 2013.	N/A	¶11,820
OK	Yes. Oklahoma will not assert nexus. Corporate income tax nexus is not created if the only activity a corporation has in Oklahoma is an employee temporarily working remotely from home in Oklahoma while the usual work location is closed due to COVID-19.	Oklahoma Department of Revenue Response on Nexus and Telecommuting Due to COVID-19, 06/02/2020	¶11,820

OR	<p>Yes. Oregon will not assert nexus. For purposes of Oregon corporate excise/income tax, the presence of teleworking employees of the corporation in Oregon between March 8, 2020 and November 1, 2020 will not be treated by the department as a relevant factor when making a nexus determination if the employees in question are regularly based outside Oregon.</p> <p><b>Update:</b> 07/31/2020 Telecommuting due to COVID-19 does not create nexus</p>	<p>COVID-19 Tax Relief Options, Or. Dept. Rev., 07/28/2020</p>	<p>¶11,820</p>
PA	<p>Yes. Pennsylvania will not assert nexus. Pennsylvania will not seek to impose nexus for purposes of corporate net income tax on an out-of-state employer with no nexus with the state solely on the basis of an employee temporarily working from his or her Pennsylvania home during the duration of the COVID-19 emergency.</p>	<p>Pennsylvania Customer Support Answers - Corporate Nexus, 04/03/2020</p>	<p>¶11,820</p>
RI	<p>Yes. Rhode Island will not assert nexus. The Rhode Island Division of Taxation will not seek to establish nexus for Rhode Island corporate income tax purposes solely because an employee is temporarily working from home during the state of emergency, or because an employee is temporarily working from home during the state of emergency and is using property to allow the employee to work from home (e.g. computers, computer equipment, or similar property) temporarily during the state of emergency. In addition, the performance of any services by such employees within Rhode</p>	<p>Rhode Island Advisory No. 2020-24, , 05/28/2020</p>	<p>¶11,820</p>

	Island will not, of itself, cause their employer to lose the protection of Public Law 86-272. <b>Update:</b> 05/28/2020 Issued COVID-19 telecommuter guidance.		
SC	Yes. The South Carolina Department of Revenue issued guidance that the agency will not use changes in an employee's temporary work location due to the remote work requirements arising from, or during, the coronavirus (COVID-19) relief period (March 13, 2020 through September 30, 2020) as a basis for establishing nexus (including for Public Law 86-272 purposes) or altering apportionment of income.	South Carolina Information Letter No. 20-11, , 05/15/2020	¶11,820
SD	N/A	N/A	N/A
TN	No specific guidance.	N/A	¶11,820
TX	No specific guidance. Texas has not issued specific guidance on whether telecommuting employees temporarily working in Texas due to the impact of COVID-19 create nexus for an employer who does not operate in Texas. Texas lists specific activities which subject a taxable entity to Texas franchise tax.	Tex. Admin. Code 34 § 3.586(d)	¶11,820
UT	No specific guidance	N/A	¶11,820
VA	No specific guidance.	N/A	¶11,820
VT	No specific guidance. The Vermont Department of Taxes stated, "We have no intention of changing our audit program or focusing audit inquiries to identify workers working temporarily from home during the COVID-19 emergency." (Email on File with Checkpoint Catalyst, 05/19/2020.)	N/A	¶11,820

WA	N/A	N/A	N/A
WI	No specific guidance. However, the Department of Revenue answered a survey question asking whether it would waive corporate income tax nexus for companies that do not otherwise have nexus and whose employees are temporarily working in the state due to the Covid-19 pandemic in the affirmative.	N/A	¶11,820
WV	No specific guidance.	N/A	¶11,820
WY	N/A	N/A	N/A

Last run 8/17/2020