

## Income/Franchise:

### Vermont: Administrative Guidance Addresses Employer Withholding for Remote Employees

*Coronavirus (COVID-19) Update: Information for Taxpayers*, Vt. Dept. of Taxes (updated 7/7/22). Continuing to respond to the COVID-19 pandemic and the growing trend of companies hiring remote employees [see *State Tax Matters*, Issue 2021-22, for details on earlier related guidance], the Vermont Department of Taxes (Department) now states that “although all income earned in Vermont is considered Vermont income, employers are not required to begin withholding Vermont Income Tax until an employee has been working from a Vermont location for thirty days.” According to the Department, this treatment applies to employees working from a home, a rental property, a co-work space, or any other location within Vermont. Accordingly, the Department recommends that employers “conduct a review of their employees’ work locations to ensure that income tax is withheld and remitted in the correct state where the tax will be due.” Please contact us with any questions.

URL: <https://tax.vermont.gov/coronavirus#temporarily>

URL: [https://dhub.blob.core.windows.net/dhub/Newsletters/Tax/2021/STM/210604\\_6.html](https://dhub.blob.core.windows.net/dhub/Newsletters/Tax/2021/STM/210604_6.html)

— Mike Degulis (Boston)  
Principal  
Deloitte Tax LLP  
mdegulis@deloitte.com

Joe Garrett (Birmingham)  
Managing Director  
Deloitte Tax LLP  
jogarrett@deloitte.com

Jane Xin Lodha (Boston)  
Senior Manager  
Deloitte Tax LLP  
jixin@deloitte.com

This document contains general information only and Deloitte is not, by means of this document, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This document is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your business. Before making any decision or taking any action that may affect your business, you should consult a qualified professional advisor. Deloitte shall not be responsible for any loss sustained by any person who relies on this document.

#### About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organization”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more.