

How Government Can Facilitate Telework

I am often asked, “John, can government help to make telework happen, or should it not get involved?” The answer is: “Yes, government can help by creating an environment that allows telework to flourish.” The fundamental problem is that many laws never anticipated the digital revolution and have now become a disincentive to telework. Below are some ways that government can help. I have listed the ways in order: with those that might affect your way of working higher up my “Top 10” list than those that are almost impossible for you to be able influence.

1. Many of us spend the first hour or so of the workday checking email, or we have writing to do. We do not need to have commuted to be behind the main office desk to carry out those tasks. Incentives should be provided to encourage the use of time shifting the commute by the use of flexible and staggered office hours to reduce peak travel time congestion. Incentives can be in the form of free or significantly reduced charges for tolled facilities, commuter parking and metro systems. If the current administration manages to pass its cap and trade legislation, may provide a significant carrot to employers to adopt telework programs because they will be able to earn Mobile Pollution reduction credits, which will be tradable in the commodity markets. Even if incentives aren't provided, just ask to do it anyway!
2. More and more, teleworkers often do not live in the same tax jurisdiction as their employer; even in a different country. Clarification is needed to define who is the taxing authority over work produced to avoid transfer pricing issues and inter-governmental double taxation issues, and where (for government employees) the “Duty Station” is, which is important as it relates to travel expense reimbursement. Further, if employees are subject to commuter taxes, what is the situation for a teleworker who works from home 1,2,3,4,or 5 days per week?
3. Many local zoning regulations and covenants were passed to control home businesses such as landscaping, construction or other activities that could create a nuisance or cause hazards in the community. However well intentioned these controls originally were, they didn't anticipate the relatively benign activities associated with white-collar teleworking, and are now a potential barrier to ‘of right’ telework. Make sure that your local zoning regulations and covenants do not unreasonably prohibit you, as a white-collar teleworking employee, from teleworking from your home office.
4. It is generally thought that taking a Home Office Deduction on your tax return means an almost certain tax audit. To substantially reduce the fear on the one side and the suspicion on the other, employers should be empowered to issue to the employee what I call a “T2000”. This would be enclosed with the tax return to confirm to the taxing authorities that the tax filer is a *bona fide* teleworker, working from a home office as a condition of employment. It would confirm that any relevant and documented deductions are valid. Please push the T2000 concept when you can!
5. If home office deductions have been taken, the homeowner is penalised when they sell their home. The proportion of the home, which has been used in the calculation of deductions (to proportion the cost of mortgage payments, utilities, insurances etc), is not exempted from Capital Gains Tax at the time of a sale of the teleworkers home. Teleworkers working from a home office, as a condition of employment, should not be subject to this “claw back” provision. It is not your fault that your employer is making telework a condition of employment.

6. Support the funding of grants to encourage the use of telework to create jobs in rural and disadvantaged (including poorer urban) areas. There is an opportunity for inner urbanites to telework to jobs in the sprawling suburbs. In Washington DC for instance, the opportunity is for downtown DC residents to telework to jobs in the “iWay” to the west of DC in the employee-starved Reston and Herndon areas. Houston, LA, NY, Boston & Atlanta have the same scenarios.
7. Support the continuation of the moratorium on Internet taxes to encourage the universal use of computers, which in turn bring with them the wider experience in computer skills, the primary tool of teleworkers and potentially one of the best ways to close the digital divide.
8. Oppose imposition of line “Right of Way” fees, taxes or levies by local Governments – essentially a backdoor Internet tax, will discourage Telcos from making bandwidth available to rural and disadvantaged (including poorer and underserved urban) areas. As collaborative www-based software becomes the normal (including sharing of documents, email, scheduling, and videoconferencing etc) bandwidth is becoming the lifeblood of productive telework.
9. To encourage telework nationally, the hugely successful and respected USDA Extension Service should be emulated to provide a “Telework Extension Service” (TES). However, in order to avoid the risk of this service being regarded as another dynamic (NOT!), consistently applied government program (NOT!), an NGO (www.NVTC.org ?) or a Public/Private Partnership should be funded as the vehicle to manage the program. The TES would help all sectors and regions by providing national telework coordination, certification, and implementation and advisory services. Because telework cuts across all of the verticals in the economy, funding must be jointly contributed from the DOT, DOE, DOL, DOEd, and DOC budgets. The TES should report to a newly created Secretary of Technology. Without this, the US will be the only G20 country with no Cabinet level technology position!
10. Federal & State governments must mandate that their government workforces are "telework eligible" (unless proved otherwise in writing), will automatically telework – lead by example. This could be fine tuned to reduce traffic decongestion and improve air quality standard compliance by mandating 40% in non-confirming areas.

Additionally, other incentives, such as accelerated depreciation, grants and tax credits for telework enabling expenses, can all be added to the mix of actions that governments can take to facilitate telework.

As a wake-up call; consider that Japan thinks that government should promote telework. It is using telework to its National Strategic Advantage, as proved by the Ministries and Government Agencies that funded the “rebirth” of JTA (the Japanese Telework Association). They are:

- The National Land Registry
- The Ministry of International Trade & Industry (MITI)
- The Ministry of Posts & Telecommunications
- The Ministry of Labor
- The Ministry of Construction.

So, whatever influence you have in government circles to help make any of these suggestions happen, please use it!