**TAX HOME AND ONE-YEAR LIMIT DETERMINATION WORKSHEET**

(For personal use only – DO NOT RETURN)

**Overview**: This worksheet is provided to assist you with determining whether you have a permanent tax home as defines by the IRS in Revenue Ruling 73-529, and therefore determine the tax status of the travel costs and/or allowances provided to you or paid on your behalf while on assignment. This worksheet is solely provided for your personal use and should not be returned to Health Carousel Travel Network, LLC (“HCTN”).

**Please Note**: As a result of the critical nature of this determination, we strongly encourage you to consult with a tax advisor. The information contained herein is general in nature and subject to change. The tax information contained in this document is not intended to be used, and cannot be used, by any person as tax advice or as a basis for avoiding tax penalties that may be imposed by the IRS or any state. HCTN recommends that each taxpayer seek advice based on their circumstances from an independent tax advisor.

**STEP #1**

Please check appropriate boxes below:

|  |  |
| --- | --- |
| ☐ Yes ☐ No | Check #1: Do you perform a portion of your business or work in the vicinity of your permanent tax home? (Note: Many travelers will not meet this requirement, as they do not have regular work or business in the tax home area.) |
| ☐ Yes ☐ No | Check #2: Are you duplicating living expenses (such as mortgage, rent, utilities, etc.) to maintain the permanent tax home while away from home on assignment? *Limited IRS guidance provided, but as a minimum the duplicate expenses to maintain the tax home should exceed $275 per month.* |
| ☐ Yes ☐ No | Check #3: Do you meet one or more of the following criteria regarding your permanent tax home?  A. Have a member of your family (spouse, child, or parent) residing with you in the permanent tax home? ☐ Yes ☐ No  B. Use the permanent tax home frequently for lodging? *Limited IRS guidance provided, but the return home trips should be more than a few times a year and one or more of the trips should be much longer than three weeks* ☐ Yes ☐ No  C. The permanent tax home represents a historical place of lodging? *This means the tax home vicinity is where you grew up, went to college, or have a recent and long-term ties to the community.* ☐ Yes ☐ No |

**STEP #2**

If you responded YES to all three questions above, then you have a permanent tax home and should indicate this on the Tax Home Certification Form.

**STEP #3**

If you responded NO to two or more of the three questions above, then you DO NOT have a permanent tax home and must indicate this on the Candidate Form.

**STEP #4**

If you responded YES to two of the three questions, then you must consider the following potential “facts and circumstances” attributes to evaluate whether you have a permanent tax home. All questions do not necessarily require a YES answer, but certainly the majority should have a YES response, and the first four questions are of particular importance. That said, we strongly recommend you consult with a tax advisor to ensure you are making a certification around your permanent residence that is in accordance with IRS guidelines.

**Additional Checks**

|  |  |
| --- | --- |
| ☐ Yes ☐ No | Is the tax home address your address of record and from which you file your income tax returns? |
| ☐ Yes ☐ No | Do you have telephone service at the tax home or is it your primary mailing address? |
| ☐ Yes ☐ No | Are your auto license plates and driver’s license registered with your tax home city? |
| ☐ Yes ☐ No | Is the tax home address the address of record for your professional license(s)? |
| ☐ Yes ☐ No | Is your banking relationship with a bank in your tax home vicinity? |
| ☐ Yes ☐ No | Are you registered to vote (and actually vote) at your tax home precinct? |
| ☐ Yes ☐ No | Do you have church, club, or other associated in your tax home vicinity? |

**STEP #5**: Evaluate the One Year Assignment Limit

If your assignment (including extensions) is expected to last more than one year, tax law dictates that the location of your assignment will be your tax home regardless of your permanent tax home status. Then, all transportation, meal, and lodging allowances paid to you or paid on your behalf must be treated as taxable compensation to you. These travel allowances and costs become taxable as soon as it becomes known the assignment will last longer than one year. That is, once an assignment has been extended to the point where it will lapse over the one-year anniversary date, the travel expenses will become immediately taxable with the execution of the extension, not on the 366th day of the extended contract.

**STEP #6**: Evaluate Your Commuting Distance

If you are working on assignment within typical commuting distance from your permanent tax home, then any transportation, lodging, and meal allowances provided must be treated as taxable compensation. Commuting is generally referred to as within the worker’s metropolitan area or broader rural geographic area. It is generally the common-practice, reasonable daily commute for the area. The Company’s policy on this, in keeping with industry standard, is that a one-way commute of 50 miles or less does not qualify as a travel eligible for tax-free per diems.