



## **Orion Mobility Releases White Paper on the H.R. 2110 - All States -- Personal Income Tax: U.S. House Bill Would Limit Taxation of Mobile Workers' Income – Affects All Corporate Employees on Temporary Assignments**

*Relocation Tax Expert David S. Oltman, CRP has authored a white paper to educate relocation tax and accounting professionals on the implications of the H.R. 2110 – All States – Personal Income Tax: U.S. House Bill Would Limit Taxation of Mobile Workers' Income.*

Wilton, CT June 24, 2009-- An employee's wages would only be subject to personal income tax or withholding and reporting in the employee's state of residence and a state in which the employee is present and performing employment duties for more than 30 days during a calendar year, under legislation introduced in the U.S. House of Representatives on April 27th, 2009. The Mobile Workforce State Income Tax Fairness and Simplification Act (H.R. 2110) was introduced by Rep. Henry Johnson, D-GA., and several co-sponsors. If passed, the effective date would be 1/1/11.

The current bill is similar to legislation introduced by Rep. Johnson in 2007 (H.R. 3359) in the last Congress. However, the current bill differs from the 2007 version in several ways, using a 30-day standard (rather than the 60-day standard in the 2007 bill), using the term "present" in a state (rather than "physically present" in a state in the 2007 bill), and referring only to the authority of states to tax (rather than the authority of both states and localities to tax in the 2007 bill). The current bill also includes more detail in defining a "day" than was in the 2007 bill. As in the 2007 bill, the limitations would not apply to professional athletes, professional entertainers, and certain public figures but would apply to all corporate employees working on temporary assignments, usually under one year.

The American Institute of Certified Public Accountants praised introduction of a bill by Representative Henry C. "Hank" Johnson that would establish a national standard for withholding state income taxes for nonresident workers. Forty-one states tax out-of-state workers' wages, but the rules are not consistent from state to state, and that places a tremendous administrative burden on corporations who move employees. CPA's and accountants see the compliance costs first-hand in two ways – as advisors who see the costs incurred by corporate employees on temporary assignments as they attempt to comply with the conflicting state laws and as employers making sure that their companies comply. By having a national 30-day standard, employees working 30 days or less in a state on temporary assignment would not have any withholding or tax return filing requirements. Stated another way, employees who do work more than 30 days in a state would need to have "state withholdings" on their wages, plus file a tax return in that state.

Oltman will be a host and featured speaker at the Orion Mobility/Relocation Taxes 22nd Annual Global Relocation Tax, Payroll and Legal Conference, September 21st and 22nd to be held at Crowne Plaza Hotel, White Plains, New York.

To assist corporate relocation administrators and relocating employees in managing tax issues associated with this event, David S. Oltman, President and Co-Founder of Orion Mobility and a national expert of the topic of relocation taxes and expense management, has authored a comprehensive research paper on this topic. A PDF is available for free download at the company's website: [www.orionmobility.com](http://www.orionmobility.com)

According to Oltman "We're pleased to provide information to the corporate relocation industry with resources to assist in navigating this potentially complex tax issue.

If you have any questions, feel free to contact us at +1 800 GROSSUP (476-7787)

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